

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE NEW FORTRESS ENERGY INC. : Master File No. 1:24-cv-07032-JGK  
SECURITIES LITIGATION :  
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**AMENDED COMPLAINT FOR VIOLATIONS OF  
THE FEDERAL SECURITIES LAWS**

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Lead Plaintiff Jack DeCicco, together with additional named plaintiff Ian Luzin (“Plaintiffs”), individually and on behalf of all other persons similarly situated, by their undersigned attorneys, allege in this complaint for violations of the federal securities laws (the “Complaint”) the following based upon knowledge with respect to their own acts, and upon facts obtained through an investigation conducted by their counsel, which included, *inter alia*: (a) review and analysis of relevant filings made by New Fortress Energy Inc. (“New Fortress” or the “Company”) with the United States Securities and Exchange Commission (the “SEC”); (b) review and analysis of New Fortress’ public documents, conference calls, press releases, and stock chart; (c) review and analysis of securities analysts’ reports and advisories concerning the Company; (d) interviews with individuals possessing direct knowledge concerning the facts alleged herein, including former employees of New Fortress; and (e) information readily obtainable on the internet.

Plaintiffs believe that further substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery. Most of the facts supporting the allegations contained herein are known only to the Defendants (defined below) or are exclusively within their control.

#### **NATURE OF THE ACTION**

1. This is a federal securities class action on behalf of all investors who purchased or otherwise acquired New Fortress securities between September 20, 2022 and August 8, 2024, both dates inclusive (the “Class Period”), seeking to recover damages caused by Defendants’ violations of the federal securities laws (the “Class”). Plaintiffs assert claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”), 15 U.S.C. §§78j and 78t, and SEC Rule 10b-5(b), 17 C.F.R. §240.10b-5.

2. This action involves misrepresentations made by New Fortress, an energy company focusing on liquefied natural gas, and two of its executives about a floating liquefied natural gas facility set to operate off the coast of Altamira, Tamaulipas, Mexico, in the Gulf of Mexico (the “Altamira FLNG Project”). Defendant Wesley Robert Edens (“Edens”) and Christopher S. Guinta (“Guinta”), who served as New Fortress’ Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) respectively, told investors that the FLNG facility would be completed in March 2023 despite known impediments. They also told investors that once up and running, the Altamira FLNG Project would propel the Company’s earnings from breakeven to “\$2.5 billion plus.” Neither of these things happened. Instead, as the risks Defendants knew but concealed all along materialized, Defendants repeatedly pushed back timelines and lowered earnings guidance. New Fortress did not even manage to produce LNG at the Altamira FLNG Project until nearly a year and a half after it told investors operations would commence. As a result, investors lost millions of dollars and were left with shares in a company that, according to analysts, lost all credibility.

3. The Altamira FLNG Project commenced with fanfare. Defendants announced their plans for the FLNG facility in July 2022. The unit consisted of an LNG compression unit that was to float offshore, supported by three repurposed (previously used) jack-up rigs. The unit was to undergo a substantial amount of construction onshore in Corpus Christi, Texas. Once fully constructed, tested, and ready for operation, Defendants intended to deploy the FLNG unit to the Company’s offshore site off the coast of Altamira. From there, the rigs were to be assembled and begin production. In November 2022, Defendants held an FLNG Investor Day at the Corpus Christi, Texas, construction site. Analysts who reported on the event told investors that they left the day “with increased confidence in [New Fortress’] ability to deploy its FLNG units on time” and that “much of the execution risk, for this highly ambitious gambit, has been removed.”

4. With analyst and investor interest piqued, New Fortress’ stock price hit a nearly all-time high trading at around \$60 per share just prior to the start of the Class Period. Defendants used this moment to announce an extraordinary corporate maneuver several weeks later in December 2022—an “Update” to the “Dividend Policy” whereby shareholders would receive a \$3.00/share dividend twice a year in addition to the quarterly \$0.10/share dividend routinely paid. According to Defendants, the Altamira FLNG Project and the revenue it would generate was the driving force behind this monumental change in New Fortress’ dividend policy. In truth, the Altamira FLNG Project did not fund the dividend. Instead, New Fortress financed the dividend by drawing \$700 million from its credit facility.

5. Edens controlled New Fortress at this point vis-à-vis his ownership of over 72.6 million shares of stock. On his authority, New Fortress paid the \$3.00/share dividend resulting in Edens receiving a cash payment of approximately \$217 million. The \$3.00/share dividend was never paid again.

6. Public investors also received money from the dividend but these payments were nothing compared to the losses that they would incur as New Fortress failed to deliver on its FLNG and earnings promises. Construction at the Altamira FLNG Project was never as Defendants described it to investors. Delays were endemic resulting from a “chaotic” work environment, understaffing, and incorrect sequencing of construction, all of which was known to the Individual Defendants who paid close attention to the FLNG Project and were provided with real-time updates concerning its progress before they made false statements to investors. Defendants concealed these significant impediments and falsely assured investors that construction was going as planned, and that New Fortress’ earnings guidance remained within reach.

7. To mask the extent of their delays, Defendants chose to deploy the FLNG unit from the Corpus Christi construction site to its offshore location in Altamira knowing that construction was still incomplete, commissioning had barely even started, and there were dramatically fewer workers to complete the project offshore. As the Class Period progressed, Defendants were forced to repeatedly admit that they could not meet promised timelines or earnings guidance. Analysts and investors lost all interest and trust in the Individual Defendants by the time the Company finally announced at the tail end of the Class Period that production had commenced at the Altamira FLNG Project. As a result of Defendants' Class Period misrepresentations and the materialization of the risks they concealed, New Fortress' stock price plummeted to under \$15/share from a high of near \$60 towards the start of the Class Period. As of its most recent quarterly report, New Fortress had a substantial doubt about its ability to remain a going concern absent a significant asset sale or refinancing.

8. Plaintiffs and other investors who bought New Fortress stock based on Defendants' representations about the Altamira FLNG Project have suffered significant losses. This action is brought to recover those losses on their behalf.

#### **JURISDICTION AND VENUE**

9. Plaintiffs bring this action, on behalf of themselves and other similarly situated investors, to recover losses sustained in connection with Defendants' fraud.

10. The claims asserted herein arise under and pursuant to §§ 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

11. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1337, and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

12. Venue is proper in this District pursuant to § 27 of the Exchange Act and 28 U.S.C. § 1391(b), as Defendant New Fortress is headquartered in this District and a significant portion of its business, actions, and the subsequent damages to Plaintiffs and the Class, took place within this District.

13. In connection with the acts, conduct, and other wrongs alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mail, interstate telephone communications, and the facilities of the national securities exchange.

### **THE PARTIES**

14. Lead Plaintiff purchased New Fortress common stock at artificially inflated prices during the Class Period and was damaged upon the revelation of the Defendants' fraud. Lead Plaintiff's certification evidencing his transaction(s) in New Fortress was previously filed in the action and is incorporated by reference herein. *See* Dkt. No. 16-1.

15. Additional named plaintiff Ian Luzin purchased New Fortress common stock at artificially inflated prices during the Class Period and was damaged upon the revelation of the Defendants' fraud. Mr. Luzin's certification evidencing his transaction(s) in New Fortress was previously filed in the action and is incorporated by reference herein. *See* Dkt. No. 13-4.

16. New Fortress is a Delaware corporation with its principal executive offices located at 111 W. 19th Street, 8th Floor, New York, New York 10011. During the Class Period, the Company's common stock traded on the NASDAQ Stock Market (the "NASDAQ") under the ticker symbol "NFE."

17. Defendant Edens was the founder of New Fortress and served, at all relevant times, as its Chairman and CEO. Edens held this role since August 2018. Edens also founded in May

1998 and was a Director of Fortress Investment Group LLC. He received all of his compensation from its affiliate, FIG LLC.

18. Defendant Guinta was, at all relevant times, New Fortress's CFO. Guinta held this role since August 2018.

19. Defendants Edens and Guinta are sometimes referred to herein as the "Individual Defendants." New Fortress, together with the Individual Defendants, are referred to herein as the "Defendants."

20. The Individual Defendants, because of their responsibilities and positions within the Company, possessed the power and authority to control, and in the operation of their roles did control, the contents of New Fortress's filings with the SEC, press releases, and presentations to securities analysts, money and portfolio managers, and institutional investors, *i.e.*, the market. Each Individual Defendant was provided with copies of the Company's SEC filings and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material, non-public information available to them and not the public, each of these Individual Defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and/or misleading.

21. New Fortress is liable for the acts of its employees under the doctrine of *respondeat superior* and common law principles of agency as all the wrongful acts complained of herein were carried out within the scope of their employment with authorization.

22. The scienter of the Individual Defendants, and other employees and agents of the Company are similarly imputed to New Fortress under *respondeat superior* and agency principles.

**CONFIDENTIAL WITNESSES AND OTHER RELEVANT NON-PARTIES**

23. Former Employee 1 (“FE1”) served as the FLNG Startup Manager at New Fortress from January 2023 to November 2023. Prior to that, FE1 served as an LNG Compression Commissioning Lead from November 2022 to December 2022. FE1 worked at the Kiewit Offshore Services Shipyard, which was the construction site for the Altamira FLNG Project in Corpus Christi, Texas. FE1 reported to FE12 (defined below), who was the Vice President of Commissioning and Startup for the Altamira FLNG Project.

24. FE1’s primary responsibilities included overseeing the construction, commissioning, and initial operation of the Altamira FLNG Project. FE1 was hired to ensure proper construction and commissioning before bringing the offshore FLNG unit online for the first time. In this capacity, FE1 coordinated with the engineering, construction, and operations teams to verify that the facilities were constructed correctly and safely commissioned to ensure all systems, including LNG compression and refrigeration units, functioned as intended.

25. Former Employee 2 (“FE2”) served as a Gas Treatment Operator at New Fortress from January 2024 to December 2024. FE2 was stationed on the offshore FLNG unit at the Altamira FLNG Project. FE2 reported to Marshall Charles.

26. FE2’s responsibilities included supervising gas treatment systems, ensuring equipment functionality, and performing operational checks during project commissioning. FE2 also focused on the pre-treatment process of incoming natural gas before the liquefaction stage.

27. Former Employee 3 (“FE3”) worked as a contractor and pipefitter for New Fortress’ Altamira FLNG Project from June 2022 until November 2023. FE3 was employed by a subcontractor through Kiewit Corporation at the construction site for the Altamira FLNG Project in Corpus Christi, Texas. FE3 reported to several general foreman, including Leon Martinez.

28. FE3 was on-site throughout most of the onshore construction. His responsibilities included the day-to-day construction of the FLNG unit before it was shipped offshore.

29. Former Employee 4 (“FE4”) served as a financial analyst at New Fortress from November 2021 to February 2022. FE4 worked in New Fortress’ headquarters in New York. FE4 reported to Justan Bristow, who managed New Fortress’ financial modeling and expense tracking.

30. FE4’s responsibilities included working with financial projections, tracking expenses, and contributing to investor materials. FE4 also participated in developing presentations for executive management.

31. Former Employee 5 (“FE5”) was an analyst at New Fortress from July 2022 to November 2023. FE5 worked in New Fortress’ Houston, Texas, office.

32. FE5 focused on regulatory and permitting issues, particularly with the U.S. Department of Energy.

33. Former Employee 6 (“FE6”) served as New Fortress’ Marine Operations Manager for the Altamira FLNG Project from April 2024 to August 2024. FE6 worked in a similar capacity for New Fortress starting in January 2024 but in a contract role (meaning he was responsible for the same work in the same capacity but was employed under contract instead of directly by New Fortress). FE6 reported to Project Engineer Garrett Lam and Vice President of Marine Development Jesse Reijskens.

34. FE6 was responsible for coordinating transportation and supply chain operations for the Altamira FLNG Project. FE6 managed the movement of approximately 500 workers between onshore and offshore operations at the project. FE6 supervised crew boats, coordinated schedules, and monitored weather conditions to ensure safe operations. FE6 also oversaw supply chain operations concerning supplies being delivered to the Altamira FLNG Project.

35. Former Employee 7 (“FE7”) served as the Commissioning and Start-Up / Simultaneous Operations Lead for the Altamira FLNG Project from March 2021 until February 2023. FE7 was employed in this capacity through Kiewit Corporation at the construction site for the Altamira FLNG Project in Corpus Christi, Texas.

36. FE7 was responsible for managing the interface between construction and commissioning activities. This entailed coordinating construction activities while ensuring that commissioning tasks were proceeding safely.

37. Former Employee 8 (“FE8”) served as the Telecommunications Lead for New Fortress on the Altamira FLNG Project from November 2023 until February 2024. FE8 reported to FE12.

38. FE8 was responsible for overseeing the implementation and functionality of systems relating to safety and compliance. This included public announcement systems, general alarm systems, navigation systems, and security systems. These systems were required to meet certain maritime safety standards. FE8 focused, in particular, on rectifying various violations identified by inspectors hired and/or acting on behalf of the insurance syndicate that insured operations at the Altamira FLNG Project.

39. Former Employee 9 (“FE9”) served as a Commissioning and Startup Engineer on the Altamira FLNG Project from July 2022 until June 2023. FE9 served in this capacity through Kiewit Corporation and worked at the construction site for the Altamira FLNG Project in Corpus Christi, Texas. FE9 reported to Breffni Allen, who served as the Commissioning and Startup Manager for the Altamira FLNG Project.

40. FE9’s responsibilities included working on pre-commissioning and testing systems before the offshore deployment of the FLNG unit. This entailed preparing the FLNG unit for

commissioning by testing systems zone by zone to ensure they were working properly after the construction phase.

41. Former Employee 10 (“FE10”) worked as a Completions Handover Contractor for Kiewit Corporation from September 2022 until December 2023. FE10 worked at the construction site for the Altamira FLNG Project in Corpus Christi, Texas. FE10 reported to Kenneth Withers, who served as the Commissioning Startup Manager for Kiewit Corporation on the Altamira FLNG Project.

42. FE10 was responsible for tracking system completions during construction in preparation for commissioning. FE10 utilized Kiewit Corporation’s tracking program initially but then switched to Fluor Corporation’s program, MC Plus. FE10 used this program to monitor the completion of subsystems across the rigs comprising the Altamira FLNG Project and help coordinate the completion of work and documentation in preparation for commissioning.

43. Former Employee 11 (“FE11”) served as a Vice President at New Fortress from June 2021 until June 2024. FE11 worked in New Fortress’ Houston, Texas, office.

44. FE11 oversaw New Fortress’ gas-to-power operations, including assets in Mexico. FE11’s involvement with the Altamira FLNG Project consisted of structuring and executing service and repair contracts for gas turbines and compressors.

45. Former Employee 12 (“FE12”) served as New Fortress’ Commissioning and Startup Manager from June 2022 to February 2023 and then as Vice President of Commissioning and Startup from February 2023 to December 2024. FE12 reported to Alap Shah.

46. FE12 was responsible for overseeing the transition from construction to operational functionality of the Altamira FLNG Project, including its FLNG unit and rigs. FE12 was heavily

involved in managing the project's final phases, including system commissioning, addressing punch list items, and navigating construction delays.

47. Kiewit Corporation ("Kiewit") is a construction and engineering company. New Fortress retained Kiewit to construct the FLNG unit and related rigs comprising the Altamira FLNG Project. Kiewit performed construction services for New Fortress at the Kiewit Offshore Services shipyard near Corpus Christi, Texas.

48. Fluor Corporation ("Fluor") is an engineering and construction firm. New Fortress hired Fluor to perform engineering services for the Altamira FLNG Project. New Fortress terminated Fluor from the project in mid-2023 shortly before deploying the FLNG units offshore to their intended location in Altamira, Mexico.

## **SUBSTANTIVE ALLEGATIONS**

### ***Company Background***

49. New Fortress is an American liquefied natural gas (LNG) company. The Company owns and operates natural gas and LNG infrastructure, including liquefaction facilities, LNG ships and other logistics assets.

50. Liquefied natural gas, otherwise known as LNG, is essentially a highly compressed form of natural gas that can be readily shipped and then converted back to gas when needed at its ultimate destination. The process requires liquefaction facilities that cool the gas and reduce its volume. LNG is easier to store and transport over long distances via specialized tankers, particularly to areas not accessible by natural gas pipelines.

51. New Fortress initially started trading as a publicly held company on the NASDAQ stock exchange in February 2019 under the name New Fortress Energy LLC. In August 2020, it converted from a Delaware limited liability company to a Delaware corporation and changed its name to New Fortress Energy Inc.

52. Defendant Edens has controlled New Fortress since its founding. As explained in the Company's prospectus for the IPO, Edens and co-founder Randal A. Nardone ("Nardone") owned approximately 90% of New Fortress following the offering. Their collective ownership interest decreased following the IPO as the Company raised equity financing and issued additional shares into the market. As of December 31, 2022, Edens and Nardone owned and/or controlled approximately 42% of New Fortress' voting power.

53. At all relevant times, New Fortress conceded it was a "controlled company" within the meaning of the NASDAQ's rules. Edens and Nardone, together with affiliates of Energy Transition Holdings LLC, held a majority of the voting power and had the right to nominate a majority of the members of New Fortress' board of directors. Energy Transition Holdings LLC was subject to a shareholder agreement effectively giving Edens and Nardone control over its shares (which at all relevant times amounted to approximately 12% to 15% of New Fortress' voting interest).

#### *Altamira FLNG Project*

54. This action arises from misrepresentations to investors about New Fortress' Altamira FLNG Project (also referred to as the FLNG 1 project). The Altamira FLNG Project was the first of five FLNG units that, according to Edens, would propel New Fortress' EBITDA from breakeven to "\$2.5 billion plus" in the span of just a few years.

55. New Fortress first announced the project in a press release dated July 5, 2022. Edens then discussed it during an investor update call held later the same day. In pertinent part, Edens described the project as follows:

So it's in the Gulf of Mexico. There's a city called Altamira. It's notable from our standpoint, is that a pipeline, a large pipeline runs from Texas subsea to Altamira before it makes kind of a right-hand turn and goes onshore. What we have agreed to do with the CFE [Mexican Comisión Federal de Electricidad] as our partner again is basically build an LNG offshore hub. So I think our initial plan would be

to put 2 liquefiers in place there. The CFE would be -- have profits interest in them. So we'll provide the capital but they will basically provide the gas that they'll purchase in -- on our behalf and provide transportation.

They own the firm transport on that pipeline, so they'll basically be -- they're experts in terms of both buying gas and transport. They'll be providing that. That's the partnership. We will then take that gas. It will be obviously already treated gases coming out of the great state of Texas for the most part. So it's in perfect shape to then be processed, turned into LNG that is available for export or potentially they can use it within Mexico, because there's needs for gas in different regions of Mexico. So -- and to see if they'll be our partner there.

56. Edens put the Altamira FLNG Project in context by explaining that it provided New Fortress with a “path[] to market for our FLNG products, and that’s significant.” Analysts focused on it as the most important of three transactions identified by Edens and emphasized its potential to generate earnings. For example, on July 6, 2022, Evercore issued a report titled, *Pushing a Heavy Stack of Chips on FLNG*. In pertinent part, Evercore wrote: “New Partnership with Comisión Federal de Electricidad (CFE) NFE will sell CFE the La Paz Power Plant and to create a new FLNG hub off the coast of Altamira, Tamaulipas Mexico for LNG. CFE will source the gas via import pipelines running through Brownsville, Texas piping cross border U.S. supplied gas. NFE will deploy multiple FLNG units of 1.4 MTPA each that utilize CFE’s existing firm pipeline transportation capacity to deliver feed gas volumes to NFE.”

57. Analysts celebrated the Altamira FLNG Project as additional details emerged over the next several months. For example, on August 9, 2022, Evercore raised its price target from \$58 per share to \$73 per share in a report titled, *The Winds of Commodity Fortune Blowing in NFE’s Direction*. In pertinent part, Evercore attributed its price increase in part to a “faster implied growth rate” from additional FLNG opportunities, including the Altamira FLNG Project. Similarly, on August 12, 2022, JMP Securities increased its price target from \$56 per share to \$70 per share, noting New Fortress’ “meaningful initiatives underway” including the Altamira FLNG Project.

***New Fortress Indicates Mechanical Completion in Q1 2023***

58. On September 9, 2022, New Fortress (through an indirect subsidiary) filed its application with the U.S. Department of Energy for authorization to (i) export domestically produced natural gas to the Altamira FLNG Project; and (ii) re-export liquefied natural gas from the Altamira FLNG Project to foreign countries (both Free Trade Agreement countries and Non-Free Trade Agreement countries). In the application, New Fortress requested authorization “by February 2023 so that it may commence exports immediately following completion of construction and in-service of the Project, which is anticipated to occur in the first quarter of 2023.” However, while it indicated in this filing a need for operating authorization by February 2023, it had no reasonable basis to believe that it would complete construction and in-service in the first quarter of 2023, and did not disclose to investors known impediments hindering such completion.

59. Far from disclosing the obstacles they faced in terms of completing the Altamira FLNG Project, Defendants made materially false statements throughout the Class Period that misrepresented the status of the FLNG unit and concealed known risks jeopardizing the timeliness of the project and, in turn, New Fortress’ ability to generate revenue from it.

60. Defendants’ false statements are identified in detail below. *See False and Misleading Statements, infra.* They began on September 20, 2022, when New Fortress announced plans to host an “FLNG Investor Day” at the Kiewit shipyard in Corpus Christi, Texas, on November 2, 2022, and quoted Edens stating in pertinent part that, “We expect to achieve mechanical completion of our first FLNG unit in March 2023 and deploy FLNG 1 into operation by mid-year, with additional units to follow soon thereafter. Utilizing a highly skilled workforce on the U.S. Gulf Coast, we have developed an efficient and repeatable construction process – essentially an FLNG factory – that substantially reduces the cost and time to build incremental liquefaction capacity to meet the urgent needs of the global energy markets.”

61. Defendants' misrepresentations about the Altamira FLNG Project increased in scope and breadth when, for example, on November 2, 2022, they used their false statements about the FLNG unit to increase New Fortress' earnings target for 2023 from \$1 billion to "\$2.5 billion-plus" in a press release titled, *NFE Increases 2022 and 2023 Earnings Goals, Hosts FLNG Investor Day at Shipyard in Texas*. Analysts applauded New Fortress' announcement. For example, on November 3, 2022, Evercore reported that New Fortress had "increas[ed] guidance for longer-term illustrative potential EBITDA generation to \$2.5 billion (from \$1.5 billion). Though the bulk of the related financial updates are expected when NFE reports 3Q22 earnings on Tuesday, November 8. FLNG has been the major upside catalyst for this stock and our main takeaway from the tour is much of the execution risk, for this highly ambitious gambit, has been removed and the upside case for NFE is coming more clearly into focus." Evercore emphasized New Fortress' position in the market, stating "We urge investors (who may have been waiting on the sidelines before) to take a serious look at NFE now because FLNG, we believe, is coming soon and the broader market doesn't likely fully appreciate the potential upside to NFE. The time to invest is before NFE re-values higher post-completion on FLNG 1."

62. On November 3, 2022, Jefferies issued a report titled, *Fast LNG Investor Day Takeaways; PT to \$75 from \$65*. In pertinent part, Jefferies told investors that they "left Wednesday's Fast LNG investor day and site visit with increased confidence in NFE's ability to deploy its FLNG units on time. The company raised 2023 EBITDA guidance by \$1bn primarily based on FLNG1 coming online mid-year. Our tour of the construction site demonstrated the progress thus far. Execution on timing continues to be paramount, but NFE appears on pace to capture the hefty price Fast LNG can offer."

63. On November 8, 2022, following New Fortress’ 3Q22 earnings report, Evercore again emphasized the potential benefits of the Altamira FLNG Project. In a report titled, *Just Over the Horizon: An FLNG Rises from the Mexican Gulf*, Evercore wrote in pertinent part that “We continue to favor NFE’s strategy of vertical integration into FLNG development, with multiple potential projects in the U.S. Gulf Coast. . . . NFE is uniquely positioned to build LNG export assets, with relatively unlimited commitments for near-term spot gas production, offering high near-term margin potential.”

***Actual Delays and Conditions at Altamira FLNG Contradict the Timeline and Progress Defendants Touted to Investors***

64. New Fortress’ FLNG Investor Day on November 2, 2022, impressed analysts and investors. As Jefferies reported on November 3, 2022, the presentation left them with “increased confidence” in NFE’s ability to “deploy its FLNG units on time.” The hype around the Altamira FLNG Project pushed New Fortress’ stock price to new highs, reaching nearly \$60/share just days later.

65. Unbeknownst to the public however, the Altamira FLNG Project was falling into chaos. Poor planning and inefficient execution were steadily pushing the March 2023 completion date outside the realm of possibility, creating an acute and tangible risk that the Altamira FLNG Project would not be completed on time leaving New Fortress with no realistic way to realize its EBITDA targets.

66. According to FE7 (Commissioning and Start-Up / Simultaneous Operations Lead from March 2021 until February 2023), managing the Altamira FLNG Project was “chaos” throughout his time on the project. The timeline for completing the project was extremely ambitious. Management had set a “vicious schedule,” creating a potential for safety hazards. By the time FE7 left the project in February 2023 (the month by which NFE’s application sought

authorization to begin operations), very little commissioning work had been done. The majority of the commissioning work was either incomplete or still in its earliest stages, yet the FLNG unit was transitioned offshore.

67. FE3 (contractor and pipefitter from June 2022 until November 2023) provided a similar account, describing the construction of the FLNG unit as rushed and chaotic. Workers were put under intense pressure to meet deadlines, whether or not the work was actually completed. According to FE3, this resulted in incomplete work being pushed forward with the goal of getting it (the unit) out as fast as possible, even though it was not ready.

68. FE3 also described sequencing problems created by simultaneous construction and commissioning work. Commissioning activities typically occur after construction is complete. However, New Fortress had workers commissioning the FLNG unit at the same time it was being built. FE3 said the sequencing was completely unorganized and led to delays.

69. Consistent with FE3's account, industry experts confirm that commissioning of an LNG plant is a process that is supposed to occur "*after* the completion of construction" so that the completed construction can be tested and optimized prior to operation. *See, e.g.*, Martello Expert Services, "Commissioning Clauses in LNG Contracts," available at <https://www.martelloglobal.com/commissioning-clauses-in-lng-contracts/>. That is necessary because the whole point of commissioning is to verify the integrity of the constructed facility: "During this time- and labor-intensive process, engineers, field technicians, and operations personnel will comb through every inch of the facility, checking thousands of connections, instruments, valves, and equipment." *See* Matrix PDM Engineering, "Startup and Commissioning Your Natural Gas Processing Facility," available at <https://www.matrixpdm.com/start-up-and-commissioning-your-natural-gas-processing-facility>.

70. FE1 (FLNG Startup Manager from January 2023 to November 2023 and LNG Compression Commissioning Lead from November 2022 to December 2022) explained that New Fortress failed to adhere to proper construction timelines and testing protocols. This included commissioning the FLNG unit before it had even finished being built. FE1 said New Fortress was trying to execute commissioning while still building it, which is not how construction and commissioning should occur.

71. FE1 explained further that commissioning is the process of verifying and testing all systems and equipment on the FLNG unit to ensure it operates as designed. This process involves steps such as running the refrigeration systems, pressure testing pipelines, and conducting trial runs. New Fortress chose not to complete certain tests before shipping the unit offshore because the construction work was taking too long. For example, although New Fortress was supposed to conduct a “nitrogen run” test onshore before the FLNG unit was shipped, after delays in preparing for the test, New Fortress decided to abandon it before shipping the unit offshore. A “nitrogen run” test was a central feature of the commissioning process for the FLNG unit. The test involves circulating nitrogen gas through the unit’s pipelines and equipment to simulate operating conditions. The test is supposed to ensure that all systems are leak-free and functioning as intended before operating the unit with natural gas.

72. Poor planning and oversight of the project gave rise to serious concerns about the safety risks on site, according to FE1. New Fortress placed pressure on deadlines instead of the well-being of its workers. The lack of proper tracking during construction exacerbated the problems.

73. FE10 (Completions Handover Contractor from September 2022 until December 2023) described additional delays created by New Fortress’ decision to use repurposed jack-up

rigs for the FLNG project. According to FE10, the used rigs were old and many of their key components, such as piping systems, were in poor condition. As a result, New Fortress had to replace more components on the rigs than it had planned for. According to FE10, the construction of these rigs was incomplete when shipped offshore and it was “well-known” that the construction was behind schedule while they were still onshore.

74. FE10 also attributed the delay to the setting of knowingly unrealistic deadlines. According to FE10, the project timeline was constantly shifting without any clear plan as to how everything would be completed. Information about the status of construction was discussed during weekly meetings led by Kenneth Withers, who oversaw completions tracking for Kiewit Corporation. The status of construction discussed at these meetings conflicted with the deadlines being given to the public by New Fortress.

75. FE12 (Commissioning and Startup Manager from June 2022 to February 2023 and Vice President of Commissioning and Startup from February 2023 to December 2024) confirmed that the FLNG Investor Day on November 2, 2022 was staged to create an illusion of progress. According to FE12, New Fortress, pulled the main turbines from the manufacturer’s (Siemens) factory early—three months before they were done—just to make it look like Defendants were further along to attendees at the investor day presentation, which included analysts that would report to investors on the progress of the Altamira FLNG Project. To accomplish this, New Fortress brought the turbines to the Kiewit construction site in Corpus Christi from the Siemens Factory to make it appear as if the turbines were finished being constructed. In truth, New Fortress had made a deal with Siemens to finish the construction of the turbines at the Kiewit yard, explained FE12. FE12 said that one of New Fortress’ project engineers, Garrett Lam, led attendees at the investor

day through the worksite and presented an exaggerated version of the status of the Altamira FLNG Project when, in truth, the progress presented was not real.

***Management Delays Completion but Conceals Severity of Project Execution Failures***

76. A clear contradiction existed between, for example, Edens' description of the FLNG unit's construction to investors and what actually was occurring on the ground at the construction site for the Altamira FLNG Project in Corpus Christi, Texas. To investors, Edens touted that New Fortress had "developed an efficient and repeatable construction process – essentially an FLNG factory." Meanwhile, according to New Fortress' frontline workers, the project had already descended into chaos and was constructed in a manner that risked a catastrophic safety disaster.

77. Investors remained in the dark and received no notification about the Altamira FLNG Project's true status of construction or timeline for completion. According to FE11 (Vice President at New Fortress from June 2021 until June 2024), New Fortress' financial models were heavily dependent on the timely completion of the Altamira FLNG Project. As a result, when it admitted a delay it would also have to lower revenue targets.

78. This occurred, for example, on February 28, 2023, when New Fortress had to lower its full year guidance from \$2.5 billion to \$2 billion because the Altamira FLNG Project's mechanical completion date shifted from March 2023 to May 2023. Even then, New Fortress did not reveal the truth about the construction problems it had already experienced and was continuing to experience for the Altamira FLNG Project. In fact, despite the delayed completion date, New Fortress still told investors that production would begin in July 2023. Neither the completion date nor the production date had any reasonable basis, and could not be met given what was transpiring on the ground at the construction site.

79. Instead of admitting the problems known to exist with the construction, New Fortress began shipping the unfinished FLNG unit (which comprised three rigs referred to as Pioneer 1, 2 and 3) offshore in July 2023. Multiple witnesses confirm that the unit was incomplete at the time it was shipped offshore.

80. FE12 (Commissioning and Startup Manager from June 2022 to February 2023 and Vice President of Commissioning and Startup from February 2023 to December 2024) explained that the decision to send the FLNG unit and rigs offshore before construction was complete was primarily due to escalating costs at the Kiewit construction site in Corpus Christi, Texas, where subcontractor inefficiencies made work timelines unpredictable. FE12 described the Kiewit construction site as a “mess” and confirmed that the “schedule kept slipping” as costs continued to “skyrocket[.]” According to FE12, Edens decided to send the FLNG unit and rigs offshore before they were finished being constructed.

81. FE10 (Completions Handover Contractor from September 2022 until December 2023) confirmed that the FLNG unit was in an “incomplete state” when it was sent offshore. The electrical systems were not ready, the potable water systems were not finished, and the hydro-testing was incomplete.

82. According to FE10, everyone working on the rigs knew they were incomplete when they were shipped offshore. FE10 utilized a project tracking system named MC Plus to track the progress of installations on the FLNG unit. For example, MC Plus tracked the status of equipment installations, hydro-testing on piping systems, and mechanical completion of various subsystems. The tracking status was also discussed during the weekly tracking meetings led by Kenneth Withers, who oversaw completions tracking at Kiewit Corporation. The MC Plus system and

weekly meetings frequently highlighted how much work remained to be done, especially for systems that were deferred to offshore completion.

83. FE1 (FLNG Startup Manager from January 2023 to November 2023 and LNG Compression Commissioning Lead from November 2022 to December 2022) identified a critical test that was incomplete at the time of shipping the unit offshore. This test was the “nitrogen run” test, which is intended to test the unit for safe operation when natural gas is introduced into it. While New Fortress intended to conduct this test onshore, delays led New Fortress to abandon the plan and ship the unit offshore before the test was completed. According to FE1, New Fortress shipped the unit offshore before conducting the test because conducting the test would have caused New Fortress to miss the target completion date it had provided to the public.

84. FE1 also confirmed that each rig comprising the FLNG unit was shipped offshore before it was complete, and before the unit had completed the “nitrogen run” test that initial plans called for completing onshore. Based on the status of construction, the rigs were in no condition to be offshore, according to FE1. The rigs were still under construction at the time they were shipped offshore. This decision worsened already significant construction delays and commissioning delays. Offshore workforces were limited to about 300 workers compared to onshore workforces totaling approximately 3,000 workers. By shipping the rigs offshore while still under construction, New Fortress subjected the FLNG unit to constraints caused by limited workforces available to complete construction and commissioning while offshore.

85. Delays were exacerbated further by New Fortress’ decision to terminate Fluor Corporation just as it was preparing to ship the FLNG unit offshore. According to FE1, Fluor Corporation was the engineering, procurement, and construction contractor for the Altamira FLNG Project. New Fortress decided to terminate Fluor Corporation in mid-2023. This caused the project

to lose expert commissioning workers at a critical point in the project. New Fortress was unable to replace the engineers it lost after terminating Fluor Corporation, according to FE1.

86. FE3 (contractor and pipefitter from June 2022 until November 2023) provided another example of the unit being incomplete when shipped offshore. Just before being shipped offshore, a critical malfunction occurred with the gear system on one of the jack-up rigs. One of the gears that controls the rig's ability to increase and decrease its height broke during testing. According to FE3, the rig needed to be 100% operational before being shipped offshore.

87. In addition to the jack malfunction, FE3 explained that much of the piping work was incomplete when the FLNG unit was shipped. There were still significant cleanouts and connections left unfinished, particularly in the vessel areas at the bottom of the rig. The process was "a mess," according to FE3. Workers were struggling to distinguish between materials meant for demolition and those intended for use.

88. FE3 stated that the construction and commissioning work was "completely unorganized" and that the unit was still under construction at the time of shipping offshore. Some of the construction was delayed as a result of known material shortages. For example, construction was delayed for several months throughout the summer of 2023 while New Fortress waited for the delivery of 1,000-pound valves needed for the unit's operation that it had not already procured. According to FE3, the lack of planning and sequencing causing these delays was not typical of other projects he had worked on while at Kiewit Corporation.

89. FE9 (Commissioning and Startup Engineer from July 2022 until June 2023) stated that key aspects of the FLNG unit were still incomplete as of June 2023, particularly the marine scope. According to FE9, the marine scope was "a mess." The marine scope is crucial rig infrastructure that keeps the FLNG unit afloat and prevents it from sinking.

90. Specifically, FE9 said that the marine scope was far from being finished as of June 2023. Adding to the problems was that the FLNG unit rigs were repurposed and, because regulations change frequently, the rigs were not up to date. These issues were directly communicated to FE12, who was the Vice President of Commissioning and Startup for the Altamira FLNG Project, during daily (or bi-daily) meetings at the Corpus Christi construction site. During the meetings, FE9's manager, Breffni Allen, would directly inform FE12 that the unit was not ready for offshore deployment.

91. FE8 (Telecommunications Lead from November 2023 until February 2024) confirmed that critical safety and compliance systems, such as public announcement systems, general alarm systems, and navigation radars, were not working upon FE8's arrival at the Altamira FLNG Project in November 2023. At that time, FE8 observed that the project was "chaotic" and poorly managed. Many components of the unit were half-finished or entirely absent. FE8 surveyed the unit during his first week and discovered crates of uninstalled equipment scattered across the deck. FE8 said the FLNG unit was shipped offshore prematurely with key systems incomplete, which added to the complexity and cost of the project because labor offshore is triple or quadruple the price of labor onshore.

92. The insurance consortium backing the FLNG unit discovered certain critical systems were not working and, consequently, sent a team of inspectors to examine the project from Lloyd's Register Group Limited. The inspectors were tasked with ensuring the FLNG unit met the minimum safety standards required for maritime classification and insurance coverage. The inspectors confirmed that the FLNG unit's systems were noncompliant upon inspection. The insurance consortium sent an official warning letter to Andrew Couch, the Managing Director of the FLNG unit construction. According to FE8, this letter was sent shortly after the FLNG rigs

were shipped offshore. The letter gave New Fortress one month to resolve the non-compliance issues or risk losing insurance coverage for the unit. FE8 spent the majority of his time on the Altamira FLNG Project addressing the deficiencies identified by the inspection team.

93. FE8's previous experience includes work on other deepwater platforms. The FLNG unit for the Altamira FLNG Project was "insane" given that it was not fully constructed in November 2023 before being shipped offshore. According to FE8, the project also suffered from severe staffing shortages, particularly in critical areas like operational technology and distributed control systems. These staffing shortages created delays in calibrating and integrating control systems with physical equipment.

94. FE8 doubted the timelines New Fortress was giving the public. In fact, it was openly discussed during meetings that completion of the "monitoring points" was not feasible in line with the timetables set by New Fortress. FE12 (Vice President of Commissioning and Startup) attended these meetings and noted that they were "doing 250 monitoring points per day" with "80,000 to go." FE8 said that even by February 2024, the liquefaction plant had significant piping and system integration work remaining, making it impossible for New Fortress to "hit first LNG by April [2024]."

#### ***The Situation at the Altamira FLNG Project Goes from Bad to Worse***

95. New Fortress did not disclose the unfinished and incomplete status of the FLNG unit before being shipped offshore, or the obstacles and delays that prevented the FLNG unit from being completed once the Altamira FLNG Unit project was at sea. Instead, during quarterly earnings reports and various press releases, New Fortress quietly pushed back its timelines for completion and production.

96. As discussed in detail below (*see False and Misleading Statements, infra*), Defendants continued to misrepresent the status of the Altamira FLNG Project and conceal the

risks that existed with respect to its timely completion and New Fortress' ability to generate revenue. For example, on February 29, 2024, while reporting its fourth quarter and end of year earnings for 2023 (*i.e.*, 4Q23), New Fortress told investors that it was now expecting production to commence in March 2024 instead of September 2023 and sales in April 2024 instead of October 2023. During the quarterly conference call, Edens downplayed the situation at the Altamira FLNG Project by stating that completion had only "been a little bit delayed."

97. Similarly, on May 8, 2024, while reporting its quarterly results for the first quarter of 2024, New Fortress extended these deadlines to May 2024 and June 2024, respectively for production and sales. Then, on July 23, 2024, in a press release announcing closing on new financing, New Fortress noted in passing that it had completed liquefaction days earlier and was now expecting sales to commence in August 2024.

98. New Fortress' updates to investors, set forth below, masked the true state of affairs at the Altamira FLNG Project and effectively prevented investors from evaluating the true risks associated with investing. Indeed, FE11 (Vice President at New Fortress from June 2021 until June 2024) delayed securing service and repair contracts at the direction of senior management. Securing service and repair contracts for the FLNG unit was a complex process because they had to be in place for several months before commercial operations began. However, FE11 said that the delays in getting the FLNG unit operational kept preventing the service contracts from being executed. By January 2024, Quinta instructed FE11 to delay service contracts due to uncertainty over when operations would begin. Even in June 2024, FE11 was still under orders not to execute service and repair contracts because management did not know when the FLNG unit would be operational.

99. FE12 (Commissioning and Startup Manager from June 2022 to February 2023 and Vice President of Commissioning and Startup from February 2023 to December 2024) confirmed that by December 2023, it was known that the Altamira FLNG Project would not be commissioned by March 2024. By the end of February 2024, construction on the FLNG unit was far from complete despite New Fortress' executives publicly claiming otherwise. FE12 confirmed that a significant number of punch list items remained outstanding at that time, particularly those classified as "Priority A," which meant they were essential for commissioning and startup.

100. According to FE12, New Fortress had "hundreds of Priority A punch list items still open," as of February 2024. These items comprised work that had to be done before New Fortress could "even think about startup." FE12 indicated that Fluor's records would contain the open (incomplete) items. Even in late-March 2024, FE12 said that major installation work remained ongoing, including structural steel, insulation, and painting. Construction was ongoing during commissioning, including welding and painting.

101. FE6 (Marine Operations Manager from April 2024 to August 2024 and in a similar capacity as a contractor starting in January 2024) described how the delay of completion prior to the onset of winter exposed the construction to further storm delays between January and March 2024. FE6 was responsible for ensuring that materials and workers reached the FLNG unit at sea but on at least five occasions, weather disruptions prevented this from happening. When severe weather occurs, the port is closed by authorities and supply chains must be interrupted, FE6 explained. The height of the waves and wind speeds needed to return to acceptable levels before shipping and transportation could resume.

102. FE2 (Gas Treatment Operator from January 2024 to December 2024) arrived on-site at the Altamira FLNG Project in January 2024. At that moment, FE2 said it was clear the

project was far from being completed, despite Defendants telling investors otherwise. FE2 was shocked at the condition of the equipment while touring the FLNG unit. For example, the mixed refrigerant system was not even bolted down and piping was just hanging from various places. Additionally, key components such as the mixed refrigerant compressor, which is essential for liquefying natural gas, were not commissioned when FE2 arrived. The mixed refrigerant compressor was not commissioned until May 2024 and was not fully operational until August 2024. Likewise, the firewater system had not been installed and the rig's primary power source, the turbine generators, was not operational. The rig was operating off emergency generators because the main generators were not operational until late-March 2024 or early-April 2024. The LNG Boil-Off Gas Compressor and Hot Oil System were also not fully installed, tested, or mechanically complete when FE2 first arrived at the FLNG unit, both of which are critical for producing LNG. The Hot Oil System presented repeated problems as well. A faulty pump malfunctioned on four separate occasions, necessitating repairs that delayed commissioning. According to FE2, almost nothing had been commissioned when FE2 arrived in February 2024.

103. While FE2 was touring the rig in February 2024, FE2 asked when New Fortress expected first production of liquefied natural gas. FE2 was told that New Fortress was projecting it for April 2024. FE2 responded that the deadline was inaccurate by several months given that commissioning was supposed to be occurring in February yet construction crews were still installing pipes. FE2 had a similar conversation in January 2024 with New Fortress' Operations and Maintenance Training Manager, Johnie Boutwell, who said that commissioning would not be completed on schedule because the FLNG unit was in the midst of a "turnaround." A "turnaround" refers to a process where all the equipment on a unit is shut down to address multiple maintenance issues.

104. According to FE2, in February 2024, the Altamira FLNG Project was still in the pre-commissioning phases and installing equipment that was not yet installed. By March 2024, the acid gas removal unit was still unfinished. New Fortress was still installing pumps with miscellaneous piping laying out on the deck. On April 26, 2024, an explosion occurred damaging a key component in the LNG refrigeration process. Specifically, one of the cold boxes used to cool and liquefy natural gas exploded during a pressure test. The cold box's internal aluminum piping burst and threw small particles of perlite insulation all over the FLNG unit platform. The explosion ruptured internal piping. Repairs lasted about a month. The following picture shows the cold box's paneling ruptured as a result of the explosion:



105. The explosion delayed construction and forced management to reassess its timelines and start focusing on one task at a time. FE2 said that significant work still remained to be completed at the time of the explosion. For example, the mixed refrigerant compressor, the boil-off gas compressor, and the heavy hydrocarbon removal unit still needed to be commissioned. In light of the work needed for these projects alone, New Fortress was in no way capable of producing liquefied natural gas within 72 hours, as Guinta stated during New Fortress' quarterly conference call on May 8, 2024. In fact, commissioning of the heavy hydrocarbon removal unit did not occur until late-July 2024; on July 9, 2024, the "scrubs column bottom pump" was still leaking during a leak check, which is an early step in the commissioning process. The following picture shows the leak that occurred during testing on July 9, 2024:



106. FE2 attributed many of the delays to New Fortress' decision to skip critical pre-commissioning steps onshore and ship the FLNG unit offshore prematurely. According to FE2, approximately 85% of the project's delays were due to issues that would have been resolved during a proper onshore pre-commissioning phase. For example, during a test involving a valve on the pre-treatment side of the unit, workers discovered that a radio battery had been lodged inside of it. Other tests and inspections revealed rocks, caution tape, and other debris inside pipes and strainers during commissioning. This debris would have been properly cleared during onshore pre-commissioning if the process had not been skipped. Nitrogen testing, for example, would have cleared the debris before going offshore, according to FE2.

107. FE2 also observed understaffing at the Altamira FLNG Project, which contributed to the "chaos." FE12, Vice President of Commissioning and Startup for the Altamira FLNG Project, routinely worked double shifts without days off. According to FE2, FE12 worked from 8:00 a.m. to midnight in order to cover both day and night shifts. FE2 said this led to disorganization. As FE12 became more overworked, he stopped conducting important meetings, such as the 30-minute daily update meetings and "Permit to Work" meetings, which informed employees about approved permits. Further, because FE12 was constantly on-site, he would routinely have his contractors move from project to project without finishing anything properly. For example, FE12 would have contractors start on one project, such as the commissioning of the regen gas compressor. But, before they could halfway complete the task, FE12 would move them onto an entirely different project. The project also suffered from a lack of fulltime engineers on site. After the cold box explosion, Chart Industries deployed a team who stayed on the rig until October 2024. Honeywell also sent an engineer to oversee the acid gas removal unit testing. Aside from those instances, FE2 explained that a lack of consistent engineering support added to the chaos on the project.

108. The understaffing at the project was exacerbated by extremely poor living conditions on the rigs. According to FE2, the living conditions were worse than any conditions previously experienced by FE2, which included working in around 50 facilities throughout the Gulf of Mexico. One of the most significant issues was mold in the living quarters. Management did not address the mold issue until August or September 2024. Overcrowding made conditions worse. The rigs were designed to house approximately 120 people, but 300 or more were present, with some housed in “float tails” and “lift boats.” During work shifts, the extreme number of people on the FLNG unit often resulted in “chaos,” according to FE2.

#### **FALSE AND MISLEADING STATEMENTS**

*September 20, 2022*

109. On September 20, 2022, New Fortress issued a press release titled, *NFE Schedules FLNG Investor Day in Texas*. In pertinent part, the press release stated as follows:

NEW YORK--(BUSINESS WIRE)--Sep. 20, 2022-- New Fortress Energy Inc. (NASDAQ: NFE) (“NFE” or the “Company”) announced today that the Company plans to host an FLNG Investor Day at the Kiewit Offshore Services (“KOS”) shipyard near Corpus Christi, Texas, on Wednesday, November 2nd, 2022, beginning at 10:00 A.M. Central Time. Specializing in the fabrication and integration of offshore projects, the 555-acre KOS facility is home to NFE’s Fast LNG program and the ongoing conversion of marine infrastructure into floating liquefaction units.

“With our partners at Kiewit, we look forward to hosting investors and analysts at this world-class facility in Texas,” said Wes Edens, Chairman and Chief Executive Officer of NFE. ***“We expect to achieve mechanical completion of our first FLNG unit in March 2023 and deploy FLNG 1 into operation by mid-year***, with additional units to follow soon thereafter. Utilizing a highly skilled workforce on the U.S. Gulf Coast, ***we have developed an efficient and repeatable construction process – essentially an FLNG factory – that substantially reduces the cost and time to build incremental liquefaction capacity*** to meet the urgent needs of the global energy markets.”

(Emphasis added)

110. The statements identified above in emphasis were materially false and/or misleading when made because: (a) New Fortress and Edens did not expect, and had no reasonable basis to expect, to achieve “mechanical completion” in March 2023 or “deploy FLNG 1 into operation” by mid-year 2023; (b) New Fortress had not then “developed an efficient and repeatable construction process” for LNG facilities; and (c) the statements omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, and FE10), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (3) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (4) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

111. The true state of affairs at the Corpus Christi construction site for the Altamira FLNG Project was an environment of “chaos,” according to former employees. New Fortress had not “developed an efficient and repeatable construction process – essentially an FLNG factory,” as stated above, but instead created a workplace suffering from misdirection and inefficiency that gave rise to serious safety risks, according to former employees.

October 28, 2022

112. On October 28, 2022, New Fortress issued a press release titled, *NFE Finalizes Agreements with CFE in Mexico, Including Plans for Offshore FLNG Hub Near Altamira*. In pertinent part, the press release stated as follows:

NEW YORK--(BUSINESS WIRE)--Oct. 28, 2022-- New Fortress Energy Inc. (NASDAQ: NFE) ("NFE" or the "Company") announced today that it has finalized its agreements with Comisión Federal de Electricidad ("CFE") as part of a growing strategic alliance supported by His Excellency Andrés Manuel López Obrador, the President of Mexico, and by Manuel Bartlett, the CEO of CFE.

...

NFE and CFE are collaborating on the creation of a new FLNG hub off the coast of Altamira, Tamaulipas.

Pursuant to the now finalized agreements, NFE will deploy multiple FLNG units of 1.4 MTPA each that utilize CFE's existing firm pipeline transportation capacity on TC Energy's Sur de Texas-Tuxpan Pipeline to deliver feedgas volumes to NFE.

NFE's first FLNG unit, which is under construction at the Kiewit Offshore Services shipyard near Corpus Christi, Texas, is currently expected to **achieve mechanical completion in March 2023**, and will be delivered to Altamira for commencement of operations soon thereafter.

(Emphasis added)

113. The statements identified above in emphasis were materially false and/or misleading when made because: (a) New Fortress did not expect, and had no reasonable basis to expect, to achieve "mechanical completion" in March 2023; and (b) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, and FE10), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known

to be unrealistic; (3) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (4) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

November 2, 2022

114. On November 2, 2022, New Fortress hosted its FLNG Investor Day at the Corpus Christi, Texas, construction site for the Altamira FLNG Project. New Fortress also issued a press release titled, *NFE Increases 2022 and 2023 Earnings Goals, Hosts FLNG Investor Day at Shipyard in Texas*. In pertinent part, the press release stated as follows:

NEW YORK--(BUSINESS WIRE)--Nov. 2, 2022-- New Fortress Energy Inc. (NASDAQ: NFE) ("NFE" or the "Company") announced today at its FLNG Investor Day in Texas that the Company is raising its full year 2022 Illustrative Adjusted EBITDA Goal to ~\$1.1 billion (from \$1.0+ billion) and its ***full year 2023 Illustrative Adjusted EBITDA Goal to ~\$2.5+ billion (from \$1.5+ billion)***.

The increases in NFE's illustrative goals are due to portfolio optimization and higher operating margins in our core business lines, as well as – most significantly – ***the expected on-schedule deployment of our first floating liquefaction unit ("FLNG 1") in the first half of 2023.***

...

NFE is hosting its FLNG Investor Day today at the Kiewit Offshore Services ("KOS") shipyard near Corpus Christi, Texas. Specializing in the fabrication and integration of offshore projects, the 555-acre KOS facility is home to NFE's Fast LNG program and the ongoing conversion of marine infrastructure into floating liquefaction units.

***"We are proud of the efficient and repeatable process we have developed – essentially an FLNG factory – that substantially reduces the cost and time to build incremental liquefaction capacity the global energy market so urgently needs,"*** continued Mr. Edens. "We are pleased to host investors and analysts today at this world-class facility in Texas, where they have an opportunity to see the significant

progress we are making toward mechanical completion of our first FLNG unit in March 2023.”

(Emphasis added)

115. The statements identified above in emphasis were materially false and/or misleading when made because: (a) New Fortress did not then expect, and had no reasonable basis to expect, “on-schedule deployment” of the Altamira FLNG Project; (b) New Fortress had not developed an “efficient and repeatable process” to construct LNG facilities; and (c) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) the EBITDA that investors were told to expect depended upon timely construction, commissioning and operation of the Altamira FLNG facility, which was highly unlikely if not impossible at that time; (2) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project, supra*); (3) as confirmed by former employees (including FE1, FE3, FE7, and FE10), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (4) as described by FE12, New Fortress created an illusion that progress was further along than it truly was by, among other things, portraying key components as completed when in fact they were not, such as the FLNG unit’s turbines; (5) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (6) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

November 8, 2022

116. On November 8, 2022, New Fortress reported its quarterly earnings for the third quarter of 2022, *i.e.*, 3Q22. New Fortress issued a press release and hosted an investor conference call.

117. New Fortress' press release, titled *New Fortress Energy Announces Third Quarter 2022 Results*, stated in pertinent part that:

NEW YORK--(BUSINESS WIRE)--Nov. 8, 2022-- New Fortress Energy Inc. (Nasdaq: NFE) ("NFE" or the "Company") today reported its financial results for the third quarter of 2022.

...

We are on track to achieve our Illustrative Adjusted EBITDA Goal of ~\$1.1 billion for 2022

Recently announced increase of 2023 Illustrative Adjusted EBITDA Goal to ~\$2.5+ billion (from ~\$1.5+ billion), and Illustrative Adjusted EBITDA Goals of ~\$4+ billion and ~\$5+ billion for 2024 and 2025, respectively

***Increase in 2023 earnings goals driven primarily by expected Deployment of FLNG 1 in the first half of 2023***, as well as higher expected operating margins and continued LNG portfolio optimization

...

***Construction of our Fast LNG units is progressing rapidly with the first FLNG unit expected to achieve Mechanical Completion in March 2023 and commence Operations by mid-2023.***

(Emphasis added)

118. The statements identified above in emphasis were materially false and/or misleading when made because: (a) New Fortress did not then expect, and had no reasonable basis to expect, "Deployment" of the Altamira FLNG Project in the first half of 2023; (b) New Fortress had not developed an "efficient and repeatable process" to construct LNG facilities; and (c) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) the EBITDA

that investors were told to expect depended upon timely construction, commissioning and operation of the Altamira FLNG facility, which was highly unlikely if not impossible at that time; (2) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project, supra*); (3) as confirmed by former employees (including FE1, FE3, FE7, and FE10), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (4) as described by FE12, New Fortress created an illusion that progress was further along than it truly was by, among other things, portraying key components as completed when in fact they were not, such as the FLNG unit's turbines; (5) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (6) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

119. Edens and Guinta participated in the investor conference call on November 8, 2022.

During the investor conference call, Guinta stated in pertinent part as follows:

***The first unit will begin operations in May or June 2023***, and then the remaining 5 will turn on before the end of September 2024, so less than 2 years from now. This will result in 161 TBtu in volumes next year, growing to 464 TBtu for 2025.

Now let's turn to Slide #10 and talk about the progress in FLNG. As you know, and many of you attended, we hosted an investor and an analyst event last week in Kiewit shipyard in Corpus Christi, and it's a great opportunity for us to give investors a glimpse of the progress we have made. As we mentioned on site, nothing that we're doing is overly complicated or difficult, but it does require the team to be organized, efficient and accountable to one another.

The 2 key takeaways from the event last week and the highlights of the quarter are: one, ***we are making excellent progress on FLNG #1 and expect to achieve mechanical completion on March 17 and then have the asset deployed and operating in May and COD in June 2023.***

Second, we made huge progress in the deployment options, including permits for our various locations, which we'll outline in a couple of slides. As mentioned, ***our FLNG 1 is rapidly approaching completion.*** On the modules in the top left of this page, there's a picture showing where we assemble the modules that will be lifted under the jack up rigs. Module 1 for gas treatment goes on the first rig, module 2 the liquefaction goes onto the second rig and then we'll have 1 smaller module for utilities and accommodations that goes on to the third rig. Each of these large modules will be 4 to 7 levels high, when completed will weigh over 5,000 tons.

Below is a picture of the jack up rigs where the modules will be installed. We've completed the demolition and are nearing the completion of the whole strengthening and enhancements to the foundation as well as a complete overall and upgrade of the marine systems.

Further, we're in the middle of preparing for deployment and operations once the FLNG construction has been completed. ***We've hired our commissioning team that's working to commission as much of the asset in the yard as possible. Once the system is completed, we can work to activate and test immediately.***

Regarding installation, we're doing things to have all subsea tie-ins, pipelay, mooring, riser work completed in order to ensure that once the FLNG is on site, we can immediately begin operations. And in operations itself, our team of people has already begun training and simulations to be ready to operate the asset once it's on location.

(Emphasis added)

120. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the Altamira FLNG Project was not then “rapidly approaching completion”; (b) New Fortress did not then expect, and had no reasonable basis to expect, March 2023 “mechanical completion” or the “May or June 2023” Commercial Operations Date (COD); and (c) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) commissioning could not meaningfully or properly occur because construction of major systems had not been completed; (2) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project, supra*); (3) as confirmed by former

employees (including FE1, FE3, FE7, and FE10), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (4) as described by FE12, New Fortress created an illusion that progress was further along than it truly was by, among other things, portraying key components as completed when in fact they were not, such as the FLNG unit's turbines; (5) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (6) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

December 13, 2022

121. On December 13, 2022, New Fortress held a special investor conference call to discuss its decision to issue a \$3.00/share dividend. Edens and Guinta participated in the call on behalf of New Fortress. In pertinent part, Edens stated during the call as follows:

So in fact, if you look at Page #6, this gives a very kind of vivid depiction of this. 2019, our adjusted EBITDA, negative \$115 million, that was in the growth stage of the company. 2020, we basically broke even, made \$33 million. Last year, \$605 million. This year, approximately \$1.1 billion. And then next year in years forward, it goes up materially now, so \$2.5 billion plus next year and beyond that in 2024. The CapEx on the bottom line is impressive. We actually invested \$377 million in 2019, \$157 million in 2020. And then last year and this year, those numbers have increased substantially. \$669 million last year, \$800 million to \$900 million this year, \$2 billion plus.

There's -- it's not like 39% and 61% was the wrong number or 60-40 is absolutely the correct one. But what it does is when we look at the planned expenditures that we've got for CapEx, we can see that we can fund ourselves very readily with the liquidity and the cash on hand and the earnings that we have and still allow for a meaningful dividend. And so that's the judgment that we're making at the end of the day. ***It is not, by my measure, an aggressive policy whatsoever. I think that with the business environment that we're in, with the position that we're in, which is a very, very fortunate one, we have more than adequate capital to fund our business,*** and this is the right step to take.

...

So that's all. And Chris here as well, to answer any questions on the financial side. And of course, I'm here to answer questions, but our dividend is, we're going to pay \$3 in this first dividend. The goal is basically to pay a dividend twice a year. So we think the right period to kind of measure this is the first half of the year and the second half of the year. The dividend is -- the record date to be a recipient of the dividend is January 4th. The payment date is January 13th. So for those shareholders that are actually owners on the 4th and they'll receive it on the 13th. Our goal then would be roughly in the second half of the year. So the figure after the first half is done, so July or early August, will actually have a similar conversation to this. And our goal is to obviously be consistent with this. *We feel very good about our forecast for next year. We feel like the environment is a good one, and we're well underway. Obviously, what this does reflect is a significant amount of confidence in both the market for our products as well as the timing for the supply that we're bringing online. So there's no real update to that. We had an earnings call here and the Investor Day and kind of demonstrated that the bottom line is kind of on time and on budget is what our expectations are. And there's nothing we see that actually gets in between now and then.*

Obviously, March, April, May are not very far away. We sit here in the middle of December. So there's a lot of work to be done, but *we feel obviously good about it and the confidence in our ability to deliver on that is in part reflected on this, but it's not irrational exuberance by any means, it's something that reflects kind of the day-to-day activities of our business.*

...

<Craig Kenneth Shere Tuohy Brothers Investment Research, Inc. – Director of Research>: So first, I want to make sure I understand this correctly. First part, getting the obvious [ streets ] a little below guidance. And the second point that at a 40% payout ratio, the announced dividend run rate implies beating guidance. Am I saying that wrong?

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: I'm not -- I'm sorry, Craig, I couldn't hear kind of clearly. *I think that the 40% payout rate with \$3, annualized \$6 does give you guidance with respect to what we think the EBITDA is for sure. And obviously, we think it's going to be substantially greater next year than it is this year. And that's -- and we have actually tremendous visibility into that. So that's obviously what is driving it.* And trying to -- I feel like effective dividend policy is one or not -- there's not only a dividend declared, but there's also a paradigm that's used to actually show how it is constructed. So people can then base their expectations on both current and future dividends based on what the actual performance of the business is. *And so we obviously feel very confident about the performance of the business next year, and we're making a dividend announcement as a reflection of that.* And we think that that's the right path to take.

<Craig Kenneth Shere Tuohy Brothers Investment Research, Inc. – Director of Research>: Sure. I guess just to clarify, when you say \$2.5-plus billion next year, EBITDA, this dividend suggests an emphasis on the plus.

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: I missed just the very last part. The \$2.5 billion EBITDA. Sorry, I just missed the last sentence. I couldn't actually understand clearly.

<Craig Kenneth Shere Tuohy Brothers Investment Research, Inc. – Director of Research>: I apologize this. I'm just saying that the dividend announcement would suggest the plus and the \$2.5-plus billion is being emphasized as we expect to be able to exceed that number.

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: That's correct. No, your math is right. So...

...

<Gregg William Brody BofA Securities, Research Division – Managing Director>: Just as your -- it appears that this is a forward-looking number, which you've -- how do you -- how are you thinking about -- how should we think about how much of that is locked in? And how much margin of safety you've built into that forecast or that forecasted dividend that you're going to pay out?

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: Yes, there's -- it's -- from my standpoint, it is not really forward-looking based on kind of the business flows and the transactions that we have in hand. So *we feel like it is reflecting the reality of the business more so than projecting kind of some forward results*. And we've been very clear about what we think the future holds. We have, obviously, a lot of tools at our disposal to make these numbers. And feel really good about it. I think that we do mitigate a substantial amount of our risk through a variety of different measures. There's the easiest way to lock in provinces to sell supply. We've done a lot of that. The second easiest way to do it is to hedge it. And obviously, there's a lot of factors you can take into consideration there, but we've done that as well. So there's variability. I'd say the most significant variability from my standpoint is in the second half of the year, not the first half of the year, and that just simply relates to when the FLNG turns on. And I think that for those of you that went down to our site visit in Corpus, I think that everyone is there hopefully understands it's merely a question of when, not if. And obviously, a month or 2 or 3 can make a difference.

We believe strongly in the timelines that we have communicated with people. *So we're going to have mechanical completion in the spring. We're going to get this thing off of the dock and into the water in April, May and turned on in June. I mean that's what the plan is, and we feel great about that plan*. And so -- but I think that when you look at the -- from our standpoint, when we look at the numbers, there's more variability in the second half of the year than the first half of

the year as a result of that. But even with that, there's a very substantial amount of earnings and cash flows that are generated in the ordinary course of the business. So it's not -- that's why I say this -- we don't feel like this is a speculative position we're taking at all. So *it really just reflects the business.*

(Emphasis added)

122. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the “\$2.5 billion plus” EBITDA number that Edens told investors to expect and characterized as not “forward-looking” was not based, as he represented, on the business “in-hand” and the Altamira FLNG Project progress; (b) New Fortress did not then expect, and had no reasonable basis to expect, “mechanical completion in the spring [of 2023]” or to have the Altamira FLNG Project “off the dock and into the water in April, May and turned on in June [2023]”; and (c) the statements omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) commissioning could not meaningfully or properly occur because construction of major systems had not been completed; (2) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project, supra*); (3) as confirmed by former employees (including FE1, FE3, FE7, and FE10), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (4) as described by FE12, New Fortress created an illusion that progress was further along than it truly was by, among other things, portraying key components as completed when in fact they were not, such as the FLNG unit’s turbines; (5) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (6) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an

environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

123. Edens' statements about New Fortress' ability to fund a \$6/share annualized (\$3 semi-annual) dividend were wildly misleading in light of the true status of the Altamira FLNG Project. Given that construction had already been delayed for the reasons stated above and construction and commissioning problems still had not been resolved, Edens did not then have a reasonable basis to assert that New Fortress had the free cash flow necessary to make the next \$3 semi-annual dividend payment let alone to fund such immense payments indefinitely beyond that. Despite this, Edens represented repeatedly and emphatically that New Fortress was capable of funding the dividend based on the business that existed. The fact that New Fortress *never* paid another such dividend suggests that even it and Edens did not believe such statements to be true when made. Worse still, Edens made sure that investors, analysts, and credit agencies relied on his statements by touting his "tremendous visibility" into the New Fortress' business and the Altamira FLNG Project in particular.

February 28, 2023

124. On February 28, 2023, New Fortress reported its quarterly earnings for the fourth quarter and year of 2022, *i.e.*, 4Q22. New Fortress issued a press release and hosted an investor conference call.

125. New Fortress' press release, titled *New Fortress Energy Announces Fourth Quarter and Full Year 2022 Results*, stated in pertinent part that:

NEW YORK--(BUSINESS WIRE)--Feb. 28, 2023-- New Fortress Energy Inc. (Nasdaq: NFE) ("NFE" or the "Company") today reported its financial results for the fourth quarter and for the year ended December 31, 2022.

We achieved our Illustrative Adjusted EBITDA Goal of ~\$1.1 billion for full year 2022

***Today we are announcing a 2023 Illustrative Adjusted EBITDA Goal of ~\$2.0 billion***

Our 2023 Illustrative Adjusted EBITDA Goal, if achieved, would result in a near-doubling of Adjusted EBITDA and Adjusted Net Income in 2023 relative to 2022

...

***Construction of our FLNG units is progressing rapidly with the first FLNG unit expected to achieve Mechanical Completion in the Spring of 2023 and commence Operations by mid-2023.***

(Emphasis added)

126. The statement identified above in emphasis was materially false and/or misleading when made because: (a) New Fortress did not then expect, and had no reasonable basis to expect, “Mechanical Completion in the Spring of 2023” or to have the Altamira FLNG Project “commence Operations by mid-2023”; and (b) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (3) as described by FE12, New Fortress misrepresented the progress being made at the Corpus Christi construction site; (4) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (5) by failing to take standard safety measures and pressuring employees to rush

construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

127. In addition, despite lowering the EBITDA target from \$2.5 billion-plus to \$2 billion, the press release still created the materially misleading impression that an earnings target of \$2 billion was realistic. It was not. Construction to date at the Altamira FLNG Project had already been severely delayed and was suffering from a disorganized and chaotic work schedule, as described in detail above (*see Chaos Roils the Altamira FLNG Project, supra*). Moreover, the FLNG unit was incomplete with critical systems still missing, uninstalled, and malfunctioning, as described above (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*). This created an acute yet undisclosed material risk that the Altamira FLNG Project would not be completed by “Spring of 2023” and that operations would not commence by “mid-2023,” thereby negating any realistic chance of meeting (or coming close to meeting) the new 2023 earnings targets.

128. Edens and Guinta participated in the investor conference call on February 28, 2023. During the investor conference call, Edens stated in pertinent part as follows:

Liquefiers, we talked about a lot. We hosted an Investor Day down at the end of last year. ***The first one is basically near completion.*** Chris will give us an update on that. But the first one is the most important. It's basically the way to fully integrate our business, it's the way to kind of get proof of concept of accessing gas and an offshore capacity. So lots more to talk about with that. But we've made significant progress. ***And this year, we've kind of shifted our focus from the mechanical completion of the unit, which is closed, to now the deployment of it, the transfer of it and, of course, the operations of it.***

...

... ***Liquefiers, I said we're closing on mechanical completion. Transport, installation, operations now become the things that we're very focused on. The time line is short.*** So we're in -- we've gone from triple-digit days to double-digit days. And so we have, as Chris has talked about before, we have a daily call on this. And our teams are working very, very hard on this.

(Emphasis added)

129. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the Altamira FLNG Project was not then “basically near completion”; (b) the FLNG unit’s liquefiers were not “closing on mechanical completion”; (c) New Fortress employees and contractors were then attempting to complete significant remaining construction tasks and had not “shifted [their] focus” to “deployment”; (d) the remaining “time line” for mechanical completion, installation, commissioning and other tasks required prior to commencing “operations” was not then “short”; and (e) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (3) as described by FE12, New Fortress misrepresented the progress being made at the Corpus Christi construction site; (4) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (5) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

130. Quinta elaborated on Edens' statements during the call, representing to investors in pertinent part as follows:

Turning to Slide #16. And frankly, the headline here says it all. We're less than 100 days away from our first FLNG setting sail to its home in Altamira, Mexico. ***With construction nearing completion, we're focused on installation, commissioning and operational readiness.*** Regarding our installation, the pipe lay barge is on location today and loading pipe. Late this week, it will begin the short pipe lay work to connect the [indiscernible] pipeline and our FLNG location, and that's expected to take around 3 weeks. We will then perform the hot tap and connect subsea pipe to our risers, which will ensure that all subsea activity will be completed prior to the FLNG arriving in the field.

***For commissioning, we've hired a commissioning team to work in partnership with representatives from our original equipment manufacturers to commission as much of the asset in the yard as possible. The construction site provides access to natural gas, power and utilities, which enable us to test major components such as gas turbines at the Kiewit yard. Also, we can do shore-based testing and validation of controlled safety systems, instrumentation and process optimization, all while the assets are getting final touches completed. The onshore commissioning capabilities reduces a typical offshore commissioning time line by around 6 weeks.***

Finally, regarding operations, we've hired our installation, training and offshore management teams, including our Board operators and maintenance technicians. And these folks are working through our critical operating procedures as well as training simulators now and are being used to complete competency training. We've established our shore base at the Port of Altamira for storage needs, commission activities and ongoing operations.

So what does all this mean? Turn to Slide #16, and let me update you on the time line from today through COD. ***The current estimate for mechanical completion of our first rig is May 2023.*** This includes a staggered readiness of the 3 rigs and ***the final is expected to be completed in early June.*** As mentioned on the previous slide, we have the ability to commission systems on a rig-by-rig basis, and we've sequenced the rigs to maximize readiness ahead of the offshore hookup. We're starting in the field construction activities this week, including the pipe lay and other makeready activities to receive the [FOCs]. Rigs will be towed from the Yard to Altamira as they are completed and full offshore hookup is expected to be completed in June. This includes the station of the rigs on location and also the installation of the Penguin FSRU. ***First gas is expected to the units in late June, and our first LNG production will be July 2023 and expect to hit COD in August of 2023.***

(Emphasis added)

131. The statements identified above in emphasis were materially false and/or misleading when made because: (a) construction of the Altamira FLNG Project was not “nearing completion”; (b) New Fortress did not then expect, and had no reasonable basis to expect, “mechanical completion of our first rig [in] May 2023,” the final rig completion in early June 2023, “first LNG production” in July 2023, or full commencement of commercial operations in August 2023; and (c) the statements omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) commissioning could not meaningfully or properly occur because construction of major systems had not been completed; (2) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (3) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (4) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (5) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

132. During the question-and-answer portion of the call, Edens continued to misrepresent the true status of the Altamira FLNG Project while ensuring analysts of New Fortress' ability to generate "high quality, repeatable, predictable earnings." In response to an analyst question, Edens stated in pertinent part as follows:

<Cameron James Lochridge BofA Securities, Research Division – Research Analyst>: That's great. I much appreciate it. If I could just quick follow-up on that. Wes, you mentioned a very measured approach to deploying new supply via FLNG. I just -- I want to dig in there a little bit. Is that to imply that before you bring on additional FLNG volumes, you'll want to have contracted offtake agreements in hand? Or in other words, are we not to expect these FLNG volumes to be purely merchant volumes but rather have dedicated offtake agreements prior to them coming online?

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: Yes, it's the latter. It's really a -- there's not a hard and fast rule about it, but we want to have clean line of sight to half of the volume is being deployed before we actually turn the unit on. That said, these units take a while to build. ***We are nearly done with #1***, and we have #2 and 3 well under development. So we've got stuff that is on the back burner, basically moving ahead. The volumes at this point would be 2024 volume, so still volumes that would be in a market which prospectively could be quite a tight one. And so the merchant volumes could be very valuable to us at that point in time. But we don't want to interject a lot of market volatility into the earnings. ***We're on a path to high quality, repeatable, predictable earnings.***

(Emphasis added)

133. Edens' statement identified above in emphasis was false and/or materially misleading because New Fortress was not "nearly done" with the FLNG unit for the Altamira FLNG Project. To the contrary, the unit was far from complete and even further from commissioning and operating. As described above (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*), construction was ongoing with critical components missing and/or malfunctioning, according to former employees. Consequently, Edens had no basis to assure analysts and investors that the Altamira FLNG Project would be capable of generating "high quality, repeatable, predictable earnings" at any point in the near future, if ever.

134. Guinta also participated in the question-and-answer portion of the call. In response to an analyst question about New Fortress' basis for the \$2 billion EBITDA target, Guinta assured the analyst that its EBITDA projections had "very little volatility" and "very little at risk." In pertinent part, Guinta stated as follows:

<Gregory Robert Lewis BTIG, LLC, Research Division – MD & Energy and Infrastructure Analyst>: I was hoping to talk a little bit about the updated EBITDA guidance and kind of maybe some of the puts and some of the takes. You mentioned the volumes. Kind of curious if you've adjusted your spread assumptions around the EBITDA guidance. And then as we think about that \$2 billion number, just looking at consensus, it is still a little bit above where the street is. So really just kind of trying to understand how we should be thinking about it and maybe where some of that delta might be.

<Christopher S. Guinta New Fortress Energy Inc. – Chief Financial Officer>: Yes. Greg, so to answer the question, I mean, we had \$2.5 billion we talked about at the last earnings call. \$2 billion now of that -- the difference is really just FLNG timing and the downstream execution, as Wes has talked about on this call. ***We feel really good about it, too.*** It is above where a lot of the estimates are today. ***There's very little volatility in that \$2 billion. We feel really comfortable about that.*** Certainly, the \$2.5 billion included a little bit more volumes under the FLNG scenario and it had a little bit of a higher strip. But as Andrew has said, we've termed out more and more of that gas since we announced the call in November of 2022. ***So very little at risk, and we feel great about the \$2 billion for 2023 calendar year.***

(Emphasis added)

135. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the EBITDA figures guided by management had enormous "risk" and "volatility"; and (b) in stating that the EBITDA figure had previously been reduced from \$2.5B to \$2B due to "FLNG timing and the downstream execution," Guinta omitted the following known material non-public information impacting additional delay and EBITDA reduction, all of which were necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management*

*Delays Completion but Conceals Severity of Project Execution Failures, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (3) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (4) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

136. Additionally, despite acknowledging that the reduction in guidance was due to “FLNG timing,” Guinta virtually guaranteed the revised \$2 billion target. Guinta repeatedly indicated his confidence in the \$2 billion target, stating that there was “very little volatility” in the target with “very little at risk.” In reality though, the timing of the FLNG unit was very much at risk and subject to immense volatility considering that construction had been (and was continuing to be) extremely delayed with key systems not yet installed or malfunctioning, as described above (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*).

137. Shortly after Guinta’s statement above, Edens added on that New Fortress was “days away” from obtaining “proof of concept” with respect to the FLNG unit. In pertinent part, he stated as follows:

Number two, I think the question about the businesses are really good at this, right? So it's something that we feel like we've demonstrated a pretty good capacity to do things. We're not perfect. We're learning every day. We've got a great group of people. But I think that we now have a very, very good proof of concept at every level that -- *except for the FLNG, which you are now days away from having proof of concept with*. So we feel like that's pretty good.

(Emphasis added)

138. Edens' statements identified above in emphasis were materially false and/or misleading when made because New Fortress was not then "days away" from having "proof of concept" with the FLNG unit, meaning the unit could and would produce LNG or First Gas. Instead, key components and systems still needed to be installed and repaired, as described above (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*).

May 4, 2023

139. On May 4, 2023, New Fortress reported its quarterly earnings for the first quarter of 2023, *i.e.*, 1Q23. New Fortress issued a press release and hosted an investor conference call.

140. New Fortress' press release, titled *New Fortress Energy Announces First Quarter 2023 Results*, stated in pertinent part that:

NEW YORK--(BUSINESS WIRE)--May 4, 2023-- New Fortress Energy Inc. (Nasdaq: NFE) ("NFE" or the "Company") today reported its financial results for the first quarter of 2023.

...

***On track to achieve our Illustrative Adjusted EBITDA Goal of~\$2.0 billion for 2023***

...

***Construction of our first Fast LNG unit is 90%+ Complete and Deployment to Altamira is expected in June 2023***

***We expect to complete Commissioning of our first Fast LNG unit in the shipyard and on-location at the Altamira site and continue to anticipate First Gas and COD in July 2023 and August 2023, respectively.***

(Emphasis added)

141. The statements identified above in emphasis were materially false and/or misleading when made because: (a) construction of the LNG unit was not then "90+% Complete"; (b) New Fortress did not then expect, and had no reasonable basis to expect, "First Gas and COD in July 2023 and August 2023, respectively"; and (c) the statements omitted the following known

material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) commissioning could not meaningfully or properly occur because construction of major systems had not been completed; (2) even for the LNG unit, much work remained before the Company would have any sense of how close it was to completing construction, including a nitrogen run test; (3) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (4) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (5) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (6) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

142. Additionally, the press release perpetuated the materially misleading impression that an earnings target of \$2 billion was realistic. It was not. Construction was not nearly done and would not be completed while onshore, meaning that commissioning would not be completed before deployment. As described above (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*), construction was ongoing with critical components missing and/or malfunctioning, according to former employees. Thus, in addition to misrepresenting the FLNG unit's status of completion, the above statements concealed an acute

yet undisclosed material risk that the Altamira FLNG Project would not be completed on time, thereby negating any realistic chance of meeting (or coming close to meeting) the 2023 earnings targets.

143. Edens and Guinta participated in the investor conference call on May 4, 2023.

During the investor conference call, Guinta stated in pertinent part as follows:

Turning to Slide #13. *Our first Fast LNG project is nearing completion. At this point, we're executing the final phases of our construction program while we prepare for offshore operations.* The modules have been completed, lifted and set on the rigs and are currently undergoing integration and testing. The pipelay and mooring anchor installation is complete and awaiting rigs to arrive on site.

Our team is expecting to have the rigs sail from Ingleside over the next 30 to 60 days and gas to be introduced into the system in the month of July. Finally, our expectation is that we will announce COD in August. *Our full commissioning team is on location in Ingleside now and working to complete as much commissioning in the yard as possible in order to shorten the time between first gas and COD.*

(Emphasis added)

144. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the “construction program” for the Altamira FLNG Project was not then in “the final phases”; and (b) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) commissioning could not meaningfully or properly occur because construction of major systems had not been completed; (2) even for the LNG unit, much work remained before the Company would have any sense of how close it was to completing construction, including a nitrogen run test; (3) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (4) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the

Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (5) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (6) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

August 8, 2023

145. On August 8, 2023, New Fortress reported its quarterly earnings for the second quarter of 2023, *i.e.*, 2Q23. New Fortress issued a press release and hosted an investor conference call.

146. New Fortress' press release, titled *New Fortress Energy Announces Second Quarter 2023 Results*, stated in pertinent part that:

NEW YORK--(BUSINESS WIRE)--Aug. 8, 2023-- New Fortress Energy Inc. (Nasdaq: NFE) ("NFE" or the "Company") today reported its financial results for the second quarter of 2023.

...

***Illustrative Adjusted EBITDA Guidance for 2023 revised to \$1.6 billion to reflect lower expected cargo earnings and timing of infrastructure projects coming online, while 2024 guidance reiterated at \$2.4 billion***

...

***Fast LNG Mechanically completed each of our modules and three rigs on FLNG 1, with our Pioneer III rig successfully installed offshore in August***

***Expecting to complete and install the remaining two FLNG rigs in August and introduce First Gas and achieve COD in September***

(Emphasis added)

147. The statements identified above in emphasis were materially false and/or misleading, when made because: (a) construction of each module and the three rigs comprising the

Altamira FLNG Project was not then “mechanically completed”; (b) New Fortress did not then expect, and had no reasonable basis to expect, to complete installation in August 2023, or to “introduce First Gas and achieve COD” in September 2023; and (c) the statements omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (3) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; and (4) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure.

148. Additionally, given the FLNG unit’s true status of completion, the above statements also created and concealed an acute and material risk that the Altamira FLNG Project would not be completed on time which, in turn, materially undermined New Fortress’ 2023 and 2024 earnings targets.

149. On August 8, 2023, Edens and Guinta participated in an investor conference call to discuss the Company's financial results for the second quarter of 2023. During this investor conference call, Guinta made the following materially false and misleading statements:

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: . . . Compared to the first half of last year, we're up significantly. So \$541 million last year in the first half, \$686 million. And this year, perhaps more importantly, *the guidance that we see now for the rest of the year, \$1.6 billion for 2023 and \$2.4 billion in 2024. A little bit of reduction of guidance for this year, just as a function of a few of the projects delivering late but still very, very solid earnings for the rest of the year and our future is incredibly bright.*

...

So Page #5. These are a list of the projects. So there's FLNG 1, which Chris Guinta will talk about, the liquefier, which is in the process of being deployed as we speak. *It's materially complete.*

...

<Christopher S. Guinta New Fortress Energy Inc. – Chief Financial Officer>: Great. Thanks, Wes. Good morning, everybody. Please turn to Slide #8, and we provide some added details on the completion of Fast LNG number 1. So as mentioned, thanks to the incredible effort by our team in Corpus Christi and in Mexico. We continue to make major progress, and we're nearing our goal of COD by the end of this quarter.

At this point, *each of the rigs have achieved mechanical completion*, and we're in the process of commissioning various systems while the remaining rigs are still in the Kiewit shipyard. As a reminder, FLNG is comprised of 3 specific rigs with the names Pioneer 1, 2 and 3. Pioneer 1 is the gas processing module. This is connected to the subsea riser and it dehydrates and prepares the gas for liquefaction. This unit is expected to mobilize and be installed around August 23. And Pioneer 2 is the liquefaction module that includes the chart, cold box and Baker Hughes compressor, which together changed the vapor into LNG. This unit is expected to mobilize and be installed around August 28. Pioneer 3 has the accommodations, power and electrical control hub, and this is the unit that has already been mobilized and installed offshore.

From a marine construction standpoint, all activities have been completed, including the installation of the hot tap assembly on the [ sur de pass ] pipeline, a 3-kilometer pipeline lateral to our FLNG asset and the anchor mooring installation for our storage vessel. In addition, our floating storage vessel, the Penguin has completed all of its make-ready activities and currently in transit to Altamira where it will clear in and hook up to its installed moorings later this month. The next step

is to sail units P1 and P2 over the next couple of weeks to their location offshore, and then *we expect to introduce first gas in September and sell our first cargo in October of 2023.*

(Emphasis added)

150. The statements identified above in emphasis were materially false and/or misleading when made because: (a) construction of the Altamira FLNG Project was not then “materially complete”; (b) New Fortress did not then expect, and had no reasonable basis to expect, to complete installation in August 2023, or to “introduce first gas in September and sell our first cargo in October of 2023”; and (c) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was not proceeding efficiently but rather was undermined by chaotic execution, lack of planning, refusal to properly sequence, and failure to procure necessary parts (*see Chaos Roils the Altamira FLNG Project and Management Delays Completion but Conceals Severity of Project Execution Failures, supra*); (2) as confirmed by former employees (including FE1, FE3, FE7, FE10, and FE12), the issued timelines for the Altamira FLNG Project had no reasonable basis and were internally known to be unrealistic; (3) the decision to deploy repurposed, used jack-up rigs exposed the Company to further construction delays because components had not been determined operable and many needed to be replaced; (4) by failing to take standard safety measures and pressuring employees to rush construction at all costs, the Company had created an environment that not only risked worker safety but exposed the Altamira FLNG Project to further delays due to equipment failure; and (5) New Fortress had not then conducted a standard nitrogen run test and therefore had no idea whether the crucial “cold box” that Guinta described functioned properly.

151. Additionally, the Altamira FLNG Project were not “materially complete” and had not achieved “mechanically completion.” In truth, construction was still ongoing with critical

systems not yet installed and/or malfunctioning without any engineering support from Fluor Corporation, according to former employees (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*). The FLNG unit’s true status of completion negated any realistic chance of New Fortress meeting the commissioning and production timelines of September 2023 and October 2023, respectively, as well as its earnings targets for the year.

November 8, 2023

152. On November 8, 2023, New Fortress reported its quarterly earnings for the third quarter of 2023, *i.e.*, 3Q23. New Fortress issued a press release and hosted an investor conference call.

153. New Fortress’ press release, titled *New Fortress Energy Announces Third Quarter 2023 Results*, stated in pertinent part that:

...

***Completed sailaway, installation, and First Gas for our first FLNG asset in offshore Altamira, Mexico; First LNG and COD expected by the end of the fourth quarter 2023***

(Emphasis added)

154. The statements identified above in emphasis were materially false and/or misleading when made because: (a) New Fortress had not “completed sailaway, installation, and First Gas,” because construction and commissioning had not finished, critical systems were not yet installed and/or malfunctioned, and system integration work for the liquefaction plant was still incomplete; (b) New Fortress did not then expect, and had no reasonable basis to expect, to commence commercial operations “by the end of the fourth quarter 2023”; and (c) the statements omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) as confirmed by former employees (*see Management Delays Completion but Conceals Severity of Project Execution*

*Failures, supra*), the Lloyd's insurance syndicate insuring the Altamira FLNG Project had placed New Fortress on notice of critical systems not working and threatened to withdraw coverage; (2) the FLNG unit's true status of completion negated any realistic chance of New Fortress meeting the production timelines provided in the above press release and, in turn, undermined any reasonable chance of meeting New Fortress' earnings targets; (3) New Fortress had further imperiled touted deadlines by terminating its engineering, procurement, and construction contractor, Fluor Corporation, in mid-2023.

155. Edens and Guinta participated in the investor conference call on November 8, 2023.

During the investor conference call, Edens and Guinta stated in pertinent part as follows:

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: . . . Actually, by far, the best operational quarter that we had hit in the history of the company. Many, many highlights to talk about in terms of what we've done on the operating side, but a few things to point out. Number one, first and foremost, in our view and many others out there. ***Our first FLNG unit is now firmly in place. It's been mechanically completed. It's in the field. It is connected to the pipeline. It's in the final stages of being commissioned***, really a remarkable accomplishment by the entire team, 5.4 million man hours, 2.5 years. So a record of a liquefier in the world by every single measure and something we're quite proud of. And obviously, a real cornerstone of the supply side of our business.

...

Look at Page 4 briefly, so the quarterly financial results. The 3 pillars kind of our earnings are quality, duration and growth. The -- as I said before, 100% of our earnings are coming from downstream customers, \$208 million of adjusted EBITDA for the quarter. We are now in the last stage of the year. ***Our expectation is still the same, \$1.6 billion in adjusted EBITDA for this year, \$2.4 billion for next year***, \$1.6 billion, about \$200 million of that we expect to come from gains on asset sales in the fourth quarter.

***So there could be some volatility there in terms of just the timing of those, but those are pretty straightforward. Notably, of the \$2.4 billion that we are forecasting for next year, virtually all of it is already contracted. Of our \$2.4 billion estimate for next year, all of it about \$250 million is already contracted.*** So quality of cash flow is coming 100% from downstream customers, duration of our portfolio in excess of 12 years. And the growth, we currently only use about 25% of the capacity of our terminals. So there's a massive potential for organic growth going forward.

...

<Christopher S. Guinta New Fortress Energy Inc. – Chief Financial Officer>: Yes. Thanks, Wes. Good morning, everybody. The progress in FLNG 1 is nothing sort of remarkable. We started the process of FLNG from a standing start on March 9, 2021. And in 31 months, we're proud to announce that we have gas into the system and expect to conclude commissioning by the end of the year. While a typical LNG project takes on average 5 to 7 years, but thanks to our incredible employees, contractors, equipment providers and regulators were ***nearing the completion of 1 of the world's most advanced offshore LNG facilities.***

So quickly, just a brief recap of what has occurred and an outline of what happens from here. Over the last 60 days, the remaining 2 rigs have moved from their construction site in Corpus Christi to their permanent home in Altamira. All 3 rigs have been jacked up into position, connected to 1 another and hooked up to the subsea pipeline.

On Monday, we opened the valve of the subsea pipeline and moved the first gas molecules into our system. The nat gas then flows from the hot tap assembly through the riser to our rig and into our high-pressure let-down valve. From now through COD, the process will be to move gas into the turbines and complete commissioning of the power generation system and then move natural gas into our pretreatment module. Gas flows through the mixed refrigerant compressor and into the cold box, where LNG will then be produced.

Once LNG is produced, the LNG then flows into our floating storage unit, the NFE Penguin, which will arrive on site in about 10 days. ***Our team has done a phenomenal job completing the various construction work streams, methodically and safely commissioning critical equipment, and we expect to see the first drop of LNG in the next few weeks.***

(Emphasis added)

156. Edens' and Guinta's statements identified above in emphasis were materially false and/or misleading when made because: (a) the FLNG unit was not "firmly in place" or "mechanically completed," but instead construction and commissioning was still ongoing; (b) its team had not "done a phenomenal job completing the various construction work streams" or "methodically and safely commissioning critical equipment," and instead had skipped critical sequencing and safety tests, including a nitrogen run test; and (c) the statements omitted the following known material non-public information necessary to make the statements not misleading

under the circumstances under which they were made: (1) as confirmed by former employees (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*), the Lloyd's insurance syndicate insuring the Altamira FLNG Project had placed New Fortress on notice of critical systems not working and threatened to withdraw coverage; (2) the FLNG unit's true status of completion negated any realistic chance of New Fortress meeting the production timelines provided and, in turn, undermined any reasonable chance of meeting New Fortress' earnings targets; (3) New Fortress had further imperiled touted deadlines by terminating its engineering, procurement, and construction contractor, Fluor Corporation, in mid-2023.

February 29, 2024

157. On February 29, 2024, New Fortress reported its quarterly earnings for the fourth quarter and year of 2023, *i.e.*, 4Q23. New Fortress issued a press release and hosted an investor conference call.

158. New Fortress' press release, titled *New Fortress Energy Announces Record Fourth Quarter and Full Year 2023 Results*, stated in pertinent part that:

NEW YORK--(BUSINESS WIRE)--Feb. 29, 2024-- New Fortress Energy Inc. (Nasdaq: NFE) ("NFE" or the "Company") today reported its financial results for the fourth quarter and for the year ended December 31, 2023.

#### Summary Highlights

Adjusted EBITDA of \$388 million in the fourth quarter of 2023 and \$1.3 billion in the full year 2023

...

**In Fast LNG, we successfully placed our first unit into its location and are now expecting first LNG in March and First Cargo in April 2024.**

...

In 2023, we generated significant increases in Funds from Operations per share, more than doubling compared to the full year 2022. **Our Illustrative Goal is to nearly double these metrics again in the full year 2024.**

(Emphasis added)

159. The statements identified above in emphasis were materially false and/or misleading when made because they omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction and commissioning were not then complete, steps that normally occur far before installation. In particular, piping and system integration work for the liquefaction plant was still incomplete. Moreover, as of February 2024, key components such as the mixed refrigerant compressor, which is essential for liquefying natural gas, was not commissioned. Numerous other components, such as the firewater system, hot oil system, LNG boil-off gas compressor, and primary power sources for the rig, were not operational, as described by former employees (*see The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*). As FE12 confirmed, “hundreds” of “Priority A” tasks still remained incomplete as of February 2024; (2) as confirmed by former employees (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*), the Lloyd’s insurance syndicate insuring the Altamira FLNG Project had placed New Fortress on notice of critical systems not working and threatened to withdraw coverage; (3) the FLNG unit’s true status of completion negated any realistic chance of New Fortress meeting the production timelines provided in the above press release and, in turn, undermined any reasonable chance of meeting New Fortress’ earnings targets; and (4) New Fortress had further imperiled touted deadlines by terminating its engineering, procurement, and construction contractor, Fluor Corporation, in mid-2023.

160. Edens and Guinta participated in the investor conference call on February 29, 2024. During the investor conference call, Edens and Guinta stated in pertinent part as follows:

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: . . . So Page 3. 2023 was a very good year. Fourth quarter, a record quarter 4 as well from an operating perspective, \$1.3 billion in EBITDA, \$388 million in

EBITDA for the quarter, that more than doubled earnings per share and FFO for 2022 to 2023, and *we're poised to roughly double that again this year*. So tremendous financial results. Most importantly, when you look at the second line down, it's not a number, but it's the second line, the profit from cargo sales, you'll see 0 contribution essentially from cargo sales in Q3 and Q4, which now fully reflects that our business is operating on the -- through the terminals to our customers and our sales of gas and products in power. And so very much an operating company now from -- as opposed to a development company. And both the quantity and the quality of those earnings were terrific.

...

Our Fast LNG lastly, there's a lot of news around that. So in short term, *we installed the first of our facilities. We expect first LNG in the month of March and the first cargo in the month of April. So obviously, we're at the very, very tail end of that project*. And while it's been a little bit delayed, it's important to note that it still would be the fastest LNG installation in the history of the planet. So we are always aggressive in terms of our objectives. But even with the [ beats ] slipping a little bit on balance, we feel very, very good about what we have done.

...

<Christopher S. Guinta New Fortress Energy Inc. – Chief Financial Officer>: Thanks, Andrew. Good morning, everybody. Let's flip to Slide 22 and talk through our FLNG projects. Over the last 3 years, we've assembled an amazing team of employees, contractors and construction partners that have been working around the clock to make our first FLNG unit a reality.

The headline is that *we're in the final stages of commissioning and expect first LNG in late March and our first cargo to sale in April*, on which I'll go into more detail shortly. But before I do, I want to share just a brief background of how we got to this point. As most of you listening are well aware, the LNG production market is dominated by super majors and national oil companies or by project-focused entities that require 20-year offtake agreements with investment-grade counterparties. At NFE, however, we have stood in the gap and built critical energy infrastructure in emerging markets that need access to LNG now. So in late 2020 and early 2021, we were seeking to add to our LNG supply portfolio and found it difficult to get the quantity and the duration that we required for 2 primary reasons.

First, a lack of overall supply in the market for the midterm period, notably 2024 through 2027. Given that all the [ land ] currently operating liquefaction projects were nearly 100% contracted. And second, as we were only a single B rated entity at the time, the credit support and project finance nature of the operating projects did not allow for them to sell substantial quantities to NFE.

So move to Slide 23, and let's talk about what we did as a response. As I've mentioned on this call before, West scheduled a daily call every week day morning

for the last 3 years, where we aim to complete a solution that would be quick to market and allow us to serve the growing needs of our downstream customers. First, we sought to eliminate design slack that would require significant engineering contingencies and immediately went to work building the modules for gas treatment, liquefaction and power.

We executed on long lead procurement in order to focus on speed to market with industry-leading OEMs like Chart, Baker Hughes and Siemens. We purchased jack-up rigs to serve as the foundation for the modules, eliminating the long and difficult process of constructing purpose-built marine assets like ships or barges that have been done for other offshore liquefaction solutions. And of course, we chose top-flight engineering and construction partners in Fluor, Kiewit, Arendal, Zentech and others to ensure excellent workmanship. So where did that get us?

We'll move to Slide 24, and you can see a recent photo of the FLNG unit on location. With respect to our first FLNG unit, we declared FID in March of 2021, and we will have first LNG in March of 2024, making this the fastest large-scale LNG project ever developed. We've completed over 8 million man-hours of construction to date. We've transported rigs to their location in Altamira, completed the hot tap and introduced feed gas for commissioning. And we have our LNG storage vessel, the NFE Penguin, securely moored and connected to the rigs awaiting LNG loading. ***Finally, the commissioning and operating teams are aggressively working to produce first LNG, which is scheduled for late March, followed by the first cargo sailing in April.***

I'm moving to Slide 25. And ***now that we're nearing the conclusion of commissioning for our first FLNG unit***, we're turning our attention to FLNG 2, which has a much cheaper and faster deployment time frame given its onshore nature Christine pad site existing infrastructure and knowledge gained from FLNG 1. The modules are under construction now and will be completed in Q3 2025 and will then ship to Mexico for installation at Altamira terminal with expected completion in Q1 2026. The terminal was built by Shell and is in excellent operational condition. There's LNG in the tanks, full deepwater marine berthing capabilities and ample land to receive the modules. Quite frankly, you could not ask for a better location. FLNG 2 uses the exact same technology and design as FNG 1 but a completely different contracting strategy, one that allows us for much more certainty around price and schedule. We have a fixed price date certain contract for our modules and a fixed price date certain contract with our civil contractor for the onshore installation. We have 90% of the procurement already completed. And in many cases, the equipment is on location in the Kiewit Yard or ready to ship from the original equipment manufacturer. And finally, as Wes mentioned, we're excited to announce that we have secured committed financing for a \$700 million loan for FLNG 2. To date, we have invested a little more than \$300 million already, and the balance will be funded by the \$700 million construction term loan.

(Emphasis added)

161. Edens' and Guinta's statements identified above in emphasis were materially false and/or misleading when made because: (a) New Fortress was not then "at the very, very tail end of the [Altamira] project"; (b) New Fortress did not then expect, and did not have a reasonable basis to expect, Altamira to be fully operational such that the first commercial LNG cargo could sail only two months later in April 2024; and (c) the statements omitted the following known material, non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction and commissioning were not then complete, steps that normally occur far before installation. In particular, piping and system integration work for the liquefaction plant was still incomplete. Moreover, as of February 2024, key components such as the mixed refrigerant compressor, which is essential for liquefying natural gas, was not commissioned. Numerous other components, such as the firewater system, hot oil system, LNG boil-off gas compressor, and primary power sources for the rig, were not operational, as described by former employees (*see The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*); (2) as confirmed by former employees (*see Management Delays Completion but Conceals Severity of Project Execution Failures, supra*), the Lloyd's insurance syndicate insuring the Altamira FLNG Project had placed New Fortress on notice of critical systems not working and threatened to withdraw coverage; (3) the FLNG unit's true status of completion negated any realistic chance of New Fortress meeting the production timelines provided above and, in turn, undermined any reasonable chance of meeting New Fortress' earnings targets; (4) New Fortress had further imperiled touted deadlines by terminating its engineering, procurement, and construction contractor, Fluor Corporation, in mid-2023; (5) as of February 2024, almost nothing had been commissioned and key components, such the primary power sources for the rig, were not operational, according to former employees (*see The Situation at the Altamira FLNG Project*

*Grows from Bad to Worse, supra*). As FE12 confirmed, “hundreds” of “Priority A” tasks still remained incomplete as of February 2024; and (6) the FLNG unit’s true status of completion negated any realistic chance of New Fortress meeting the production timelines provided by Edens and Guinta and, in turn, undermined any reasonable chance of New Fortress “doubl[ing]” its 2023 earnings by year end.

March 25, 2024

162. On March 25, 2024, New Fortress hosted a special investor call. During the call, Edens misrepresented the status of the Altamira FLNG Project. In pertinent part, Edens stated as follows:

<Sherif Ehab Elmaghribi BTIG, LLC, Research Division – Research Analyst>: How do these transactions affect your gas supply? I think you previously talked about roughly 120 TBtus annually coming from third parties. Just wondering how that delta shakes out and where are we on how FLNG 1 is progressing?

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: In gas, this is. Gas [indiscernible] right now is actually quite matched, right? So our goal is to not take exposure to gas markets. The supply that we would need in Brazil, which is potentially significant, is all indexed to market. So you have kind of spot exposure versus spot market. So that's great. With respect to Puerto Rico right now, this is what we had anticipated.

So we are, at this point, very matched with ***FLNG 1 coming online here any day***. That's roughly 70 TBtus use of gas, FLNG 2, which we're now actually under construction or will be, there's another 70. So that's 140. So that's the supply that we see kind of earmarked for Puerto Rico in the short to intermediate term. And obviously, if we are successful and expand our operations there, we would then look to expand our gas supply as well, which is kind of the next phase of it.

(Emphasis added)

163. Edens’ statement identified above in emphasis was materially false and/or misleading when made because the Altamira FLNG Project (referred to above as FLNG 1) was not “coming online . . . any day” at this point. To the contrary, Edens knew but concealed that: (1) construction and commissioning were not then complete, steps that normally occur far before

installation. In particular, piping and system integration work for the liquefaction plant was still incomplete. Moreover, as of February 2024, key components such as the mixed refrigerant compressor, which is essential for liquefying natural gas, was not commissioned. Numerous other components, such as the firewater system, hot oil system, LNG boil-off gas compressor, and primary power sources for the rig, were not operational, as described by former employees (see *The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*). As FE12 confirmed, “hundreds” of “Priority A” tasks still remained incomplete as of February 2024 and major installation work remained ongoing as of March 2024; (2) as confirmed by former employees (see *Management Delays Completion but Conceals Severity of Project Execution Failures, supra*), the Lloyd’s insurance syndicate insuring the Altamira FLNG Project had placed New Fortress on notice of critical systems not working and threatened to withdraw coverage; and (3) as of February 2024, almost nothing had been commissioned and key components, such the primary power sources for the rig, were not operational, according to former employees (see *The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*).

May 8, 2024

164. On May 8, 2024, New Fortress reported its quarterly earnings for the first quarter of 2024, *i.e.*, 1Q24. New Fortress issued a press release and hosted an investor conference call.

165. New Fortress’ press release, titled *New Fortress Energy Announces First Quarter 2024 Results*, stated in pertinent part that:

NEW YORK--(BUSINESS WIRE)--May 8, 2024-- New Fortress Energy Inc. (Nasdaq: NFE) (“NFE” or the “Company”) today reported its financial results for the first quarter of 2024.

Summary Highlights

...

***Illustrative Adjusted EBITDA Goal of ~\$2 billion in the full year 2024***

“This has been a tremendous quarter for the company with a number of significant milestones. ***We have completed the construction of our first FLNG unit and are currently commissioning the asset, with First LNG expected later this month and first full cargo expected in June.*** We commenced operations in Brazil at both of our LNG terminals and have 2.2 gigawatts of power under construction. Additionally, we completed the sale of the power plants that we developed for FEMA in Puerto Rico and concurrently won an 80 Tbtu island-wide gas contract, paving the way for significant expansion of our business in Puerto Rico. These milestones underscore our commitment to growth, sustainability, and long-term shareholder value,” said Wes Edens, NFE chairman and chief executive.

(Emphasis added)

166. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the Company did not expect, and had no reasonable basis to expect, “First LNG” within the month followed by “first full cargo” in June 2024; and (b) the statements omitted the following known material non-public information necessary to make the statements not misleading under the circumstances under which they were made: (1) construction was still ongoing after recent and severe setbacks. As described by former employees (*see The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*), an explosion occurred on April 26, 2024 on the rig damaging the LNG refrigeration operations, necessitating extensive repairs and causing significant delays; (2) New Fortress had not secured service contracts reflecting its internal understanding that the FLNG unit was still months away from commercial operation; and (3) the FLNG unit’s true status of completion negated any realistic chance of New Fortress meeting the production timelines provided in the above press release and, in turn, undermined any reasonable chance of meeting New Fortress’ earnings targets. Consequently, in addition to misrepresenting that the FLNG unit was completed and ready (or nearly ready) for commercial operation, the above statements also created and concealed acute and material risks that the Altamira FLNG Project would not be completed on time and that New Fortress would be unable to meet (or come reasonably close to meeting) its earnings target for 2024.

167. Edens and Guinta participated in the investor conference call on May 8, 2024.

During the investor conference call, Edens and Guinta stated in pertinent part as follows:

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: .... Today, *the liquefier is mechanically complete. We are in the final stages of commissioning it. We expect gas in a matter of the next several days, not months. We expect the first cargo in June.* ....

...

<Christopher S. Guinta New Fortress Energy Inc. – Chief Financial Officer>: Thanks, Andrew. Good morning, everybody. Let's flip to Page #19 and talk to the FLNG projects. On this slide, we've included a recent photo of FLNG 1 offshore Altamira, and *the positive news is we are in the absolute final stages of commissioning. We've fully commissioned all safety systems, power and utilities equipment, the gas treatment modules, LNG pumps and the LNG transfer hoses, and we're working on the final system to be completed, which is the MR compressor.* I do want to take a moment and confirm that we did experience an incident with a pipe fracture inside of our cold box last Friday, April 26. This is an extremely unfortunate given that we are expecting First LNG a mere 72 hours later.

The pipe incident caused the box's insulation material, a nontoxic volcanic sand called perlite to be admitted [sic] all over the rigs. Thankfully, no significant injuries were sustained and as a result of our excellent team in the field as well as our preventative measures together ensured that no adjacent systems were damaged. While the incident looked like it was much more extensive than it actually was on account of the perlite dusting, *the damage was isolated to one pipe and manifold within the box and is expected to be repaired by next weekend.* This is why commissioning is so important and why we've invested in excellent partners that have been overwhelmingly supportive as we try to move through the balance of the commissioning work and produce LNG.

(Emphasis added)

168. Edens' and Guinta's statements identified above in emphasis were materially false and/or misleading when made because: (a) the Company was not then in "the final stages" or the "absolute final stages" of commissioning; (b) the Company understated both the magnitude of the explosion experienced within the cold box and the extent of repair required; and (c) New Fortress and Guinta did not expect, and had no reasonable basis to expect, the cold box to be "repaired by next weekend." The timeline for operations at the FLNG unit was still unknown in part due to the

fact that construction and commissioning was still ongoing, which delayed the execution of service and repair contracts, according to former employees (*see The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*).

June 14, 2024

169. On June 14, 2024, New Fortress issued a press titled, *NFE Announces First LNG in Days and First Cargo in July*. In pertinent part, the press release stated as follows:

NEW YORK--(BUSINESS WIRE)--Jun. 14, 2024-- New Fortress Energy Inc. (Nasdaq: NFE) ("NFE" or the "Company") announces ***First LNG in the coming days and First Cargo in July***.

NFE today updated the timing of its First LNG expectation for its first Fast LNG unit located offshore Altamira, Mexico. The Company has made tremendous progress on its path towards the start of liquefaction operations.

As of today, ***the work necessary to begin operations is complete and the Company has also completed the full remainder of pre-commissioning activities. The Company now expects to produce LNG in the next 10 days, and then expects to be able to deliver its First Cargo in July***.

(Emphasis added)

170. The statements identified above in emphasis were materially false and/or misleading when made because: (a) "the work necessary to begin operations" was not then "complete." In particular, key components of the FLNG unit had not been commissioned yet, such as the heavy hydrocarbon removal unit, while other components were still malfunctioning and in need of repair, such as the scrubs column bottom pump; (b) the Company was not then prepared to produce LNG in the "coming days," as represented. According to former employees (*see The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*), executive management did not know when the FLNG unit would be operational and, consequently, was delaying the execution of service and repair contracts in June 2024.

July 23, 2024

171. On July 23, 2024, New Fortress issued a press titled, *New Fortress Energy Announces Closing of \$700 Million Loan for Second FLNG Unit*. In pertinent part, the press release stated as follows:

NEW YORK--(BUSINESS WIRE)--Jul. 23, 2024-- New Fortress Energy Inc. (NASDAQ: NFE) ("NFE" or the "Company") today announced that after successfully producing LNG at its first FLNG unit ("FLNG 1"), the Company has closed its previously announced \$700 million loan for its second FLNG unit ("FLNG 2"). ***Now operational, FLNG 1 expects to deliver its first cargo in August and enter full production thereafter.***

(Emphasis added)

172. The statements identified above in emphasis were materially false and/or misleading when made because: (a) the Altamira FLNG Project was not then "operational"; and (b) New Fortress did not then expect, or have a reasonable basis to expect "first cargo" in August 2024. Contrary to these statements, commercial production was still months away given the true state of the Altamira FLNG Project by this time. Executive management did not know when the FLNG unit would be operational and, consequently, had been delaying the execution of service and repair contracts as recently as June 2024. Moreover, the "scrubs column bottom pump" had failed commissioning in early-July 2024 and commissioning of the heavy hydrocarbon removal unit did not occur until late-July 2024, according to former employees (*see The Situation at the Altamira FLNG Project Grows from Bad to Worse, supra*).

### **LOSS CAUSATION AND ECONOMIC LOSS**

173. During the Class Period, as detailed herein, Defendants made materially false and misleading statements and engaged in a scheme to deceive the market and a course of conduct that artificially inflated the price of New Fortress' common stock and/or maintained pre-existing levels of artificial inflation, and operated as a fraud or deceit on Class Period purchasers of New Fortress'

common stock by materially misleading the investing public. Later, when the truth about Defendants' prior misrepresentations and fraudulent conduct began to emerge, the price of New Fortress' common stock materially declined, as the prior artificial inflation came out of the price over time. As a result of their purchases of New Fortress' common stock during the Class Period, Plaintiffs and other members of the Class suffered economic loss, *i.e.*, damages under the federal securities laws.

174. The corrective events revealing Defendants' fraudulent conduct are described below. Defendants disclosed information on each of these days that was directly related to their prior misrepresentations and material omissions concerning New Fortress' development of the Altamira FLNG Project and ability to produce, ship, and sell liquefied natural gas which, in turn, directly impacted New Fortress' ability to generate revenue in line with previously disclosed targets, and the disclosures they made also constituted materializations of risks concealed by them during the Class Period. The disclosure of this information caused New Fortress' stock price to decline which, in turn, caused economic loss to Plaintiff. Thus, the corrective events and the damage they caused were the materialization of the risks concealed by Defendants' fraudulent statements.

175. On February 28, 2023, New Fortress reported its financial earnings for 4Q22 and, in pertinent part, lowered its full year guidance for 2023 while also delaying its target mechanical completion date for the Altamira FLNG Project, as described *supra*. On this partial disclosure or the materialization of the concealed risk thereof, the price of the Company's common stock fell from \$38.74 per share on February 27, 2023, to \$32.99 per share on February 28, 2023.

176. Analysts reacted negatively in response to the announcement. For example, on February 28, 2023, BTIG lowered its price target from \$50 per share to \$48 per share and noted

that “while an earnings miss is never good, we believe the bigger drivers of the sell-off were 1) lower 2023 guidance, now at ~\$2B, which was down 20% from \$2.5B (we note consensus last night was \$1.8B, BTIG \$1.7B) and 2) lower expected production volumes from the FLNG #1 (though it’s still expected to start in July, we are modeling a 4Q start), with FLNG #1 2023 production guidance at 29 TTBtu (down from 47 TTBtu last quarter).”

177. On February 29, 2024, New Fortress reported its financial earnings for 4Q23 and guidance for 2024. The Company disclosed delays at the Altamira FLNG Project, as discussed *supra*. Analysts reported on this, thereby confirming its importance to the market. For example, on February 29, 2024, J.P.Morgan issued a report titled, *Strong 4Q23 Results & 2024 Guidance; Further Delays to First LNG at FLNGI*. The report continued, noting that “NFE’s 4Q23 adjusted EBITDA was modestly above expectations . . . . However, the company slightly pushed back its first LNG target date to March 2024.” Similarly, On February 29, 2024, Morningstar also focused on the delays at the Altamira FLNG Project, writing in pertinent part that New Fortress pushed back its timeline for the facility to March 2024 after originally targeting 2023. Analysts were focused on the Altamira FLNG Project delays in light of New Fortress’ need to “boost volumes and generate the cash needed to meet its maturing debt and new obligations . . . .”

178. On this partial disclosure or the materialization of the concealed risk thereof, the Company’s stock price fell from \$35.15 per share to \$34.43 per share on March 1, 2024, before falling further to \$32.02 per share on March 4, 2024.

179. Analysts reacted to this partial disclosure, thereby confirming its importance to the market. For example, on February 29, 2024, Morningstar focused on the delays at the Altamira FLNG Project, writing in pertinent part that New Fortress pushed back its timeline for the facility to March 2024 after originally targeting 2023.

180. On July 23, 2024, New Fortress announced it closed on new financing that was previously disclosed in February 2024. Importantly, the announcement noted that the financing agreement came after the Altamira FLNG Project had completed its first liquefaction days earlier and that New Fortress was now expecting to deliver its “first cargo” in August 2024. This marked yet another delay given that New Fortress had most recently stated first cargo would be delivered in July 2024 (after being initially targeted for 2023).

181. On this partial disclosure or the materialization of the concealed risk thereof, the Company’s stock price fell from \$25.64 per share on July 22, 2024 to \$21.85 per share on July 23, 2024 before falling further to \$20.65 per share on July 24, 2024.

182. Analysts and investors finally pieced together the true state of affairs at the Altamira FLNG Project after New Fortress reported its quarterly earnings for the second quarter of 2024, *i.e.*, 2Q24. On August 9, 2024, New Fortress issued a press release announcing unexpectedly weak earnings and lowering their guidance for the second half of 2024. In pertinent part, the press release stated as follows:

Our Adjusted EBITDA in the second quarter of \$120 million was well below our expectation of \$275 million. This was largely the result of delays in placing our FLNG 1 project into service, which was originally expected to occur at the beginning of the second quarter. As detailed in our earnings presentation, the cost of this delay is approximately \$150 million per quarter in lost operating margin, which represents the vast majority of the Adjusted EBITDA shortfall for the quarter.

183. The press release further contained a quote from Edens, stating as follows:

We have a large and expanding business, with a broad and robust portfolio and customers. While we are disappointed in the delay in placing FLNG 1 into service, it is now operational and we are very excited about the future of our business.

184. A number of well-known analysts issued reports in response to New Fortress’ quarterly announcements. J.P.Morgan, for example, issued a report on August 9, 2024 titled, *2Q24 Every Bit as Bad as Expected; Guidance Sets Up a “Credibility Rerack”*. In pertinent part, the

analyst report stated that, “2Q24 was an abysmal quarter on EBITDA and free cash flow” in part because of “the delay on FLNG1. But management used the quarter as an opportunity to lay out what we view as appropriately conservative and transparent guidance (for perhaps the first time).” The report explicitly discussed New Fortress’ prior statements about the timeline for the Altamira FLNG Project, stating “After years of overly aggressive and opaque guidance and the ~7 month delay on FLNG1, the company appropriately reracked guidance and added substantially more detail in the 2Q24 presentation.”

185. BTIG also issued a report on August 9, 2024 titled, *Guidance Lowered on FLNG Delays, with Terminals Driving Volume Growth in 2025*. In pertinent part, BTIG wrote that: “NFE is trading ~19% lower midmorning after reporting earnings (BMO) with adj. EBITDA of ~\$120M coming ~34% below consensus of ~\$181M (BTIG ~\$155M), which management attributed to the previously announced later than expected startup of LNG production at FLNG #1. The unit is now in service and expected to reach full production later this quarter after some planned maintenance. FLNG related delays led management to cut 2024 adj. EBITDA guidance to \$1.4-1.5B.”

186. Deutsche Bank likewise reported on August 9, 2024, that, “New Fortress Energy (NFE) reported adj. 2Q24 EBITDA of just \$120 MM, which was well below the Street estimate of \$177 MM and our estimate of ~\$176 MM (preview note: HERE). The Company lowered its 2024 adj. EBITDA “goal” from ~\$2.0 Bn to between \$1.4 - \$1.5 Bn, which includes the Company’s expectation for a one-time cash settlement related to the ex-FEMA contracts of ~ \$600 MM. In other words, the Company’s illustrative adj. EBITDA goal related to ongoing operations is just ~\$900 MM for FY24.”

187. Investors reacted immediately to New Fortress’ revelations. The price of New Fortress’ common stock declined dramatically. From a closing market price of \$17.02 per share

on August 8, 2024, New Fortress' stock price fell to \$13.00 per share on August 9, 2024, on unusually heavy volume.

188. New Fortress has since lowered its full year earnings targets even further. As of November 7, 2024, the Company was targeting \$855 million in EBITDA for 2024 and long-term debt has ballooned to approximately \$8 billion, *i.e.*, triple the size of New Fortress' market capitalization. To raise additional capital, New Fortress also entered into a debt financing agreement at 12% interest. This level of interest indicates that New Fortress is not well capitalized but instead struggling to deleverage its balance sheet, contrary to claims made by Edens early in the Class Period. Further, according to news reports following the Company's third quarter earnings announcement on November 7, 2024, Edens hired Lazard Inc. and Intrepid Financial Partners LLC to explore possible asset sales. These asset sales may include LNG facilities, according to the reports. Absent these asset sales and/or refinancing of its debt, New Fortress' management concluded that "substantial doubt exists related to the Company's ability to continue as a going concern."

189. The fact that these analysts, and the market in general, focused on New Fortress' delays at the Altamira FLNG Project and the negative impact it had on earnings demonstrates the public placed significant weight on Defendants' false and materially misleading statements. Defendants' frequent discussion of these items combined with the market's reaction to their corrective statements confirms that Defendants' statements during the Class Period were material.

190. The timing and magnitude of the price declines in New Fortress' stock negate any inference that the loss suffered by Plaintiffs and the other Class members was caused by changed market conditions, macroeconomic or industry factors, or Company-specific facts unrelated to Defendants' fraudulent conduct.

## **ADDITIONAL ALLEGATIONS OF SCIENTER**

### ***Defendants Admitted the Altamira FLNG Project Was the Driving Force Behind New Fortress' Earnings***

191. The Altamira FLNG Project played an integral role in New Fortress' operations and earnings. It was of paramount importance and its successful construction, commissioning, and operation was essential for New Fortress to achieve the EBITDA targets it provided to investors early in the Class Period at its FLNG Investor Day on November 2, 2022.

192. In fact, when announcing the increased 2022 and 2023 earnings goals, New Fortress stated it was “raising its full year 2022 Illustrative Adjusted EBITDA Goal to ~\$1.1 billion (from \$1.0+ billion) and its full year 2023 Illustrative Adjusted EBITDA Goal to ~\$2.5+ billion (from \$1.5+ billion).” New Fortress further stated that, “The increases in NFE’s illustrative goals are due to portfolio optimization and higher operating margins in our core business lines, as well as – most significantly – the expected on-schedule deployment of our first floating liquefaction unit (‘FLNG 1’) in the first half of 2023.”

193. On December 13, 2022, Edens admitted that even “a month or 2 or 3” delay at Altamira could materially hurt the Company. During a conference call, Edens stated as follows in response to an analyst question:

<Gregg William Brody BofA Securities, Research Division – Managing Director>: Just as your -- it appears that this is a forward-looking number, which you've -- how do you -- how are you thinking about -- how should we think about how much of that is locked in? And how much margin of safety you've built into that forecast or that forecasted dividend that you're going to pay out?

<Wesley Robert Edens New Fortress Energy Inc. – Founder, Chairman & CEO>: Yes, there's -- it's -- from my standpoint, it is not really forward-looking based on kind of the business flows and the transactions that we have in hand. So we feel like it is reflecting the reality of the business more so than projecting kind of some forward results. And we've been very clear about what we think the future holds. We have, obviously, a lot of tools at our disposal to make these numbers. And feel really good about it. I think that we do mitigate a substantial amount of our risk through a variety of different measures. There's the easiest way to lock in provinces

to sell supply. We've done a lot of that. The second easiest way to do it is to hedge it. And obviously, there's a lot of factors you can take into consideration there, but we've done that as well. So there's variability. I'd say the most significant variability from my standpoint is in the second half of the year, not the first half of the year, and that just simply relates to when the FLNG turns on. And I think that for those of you that went down to our site visit in Corpus, I think that everyone is there hopefully understands it's merely a question of when, not if. And obviously, a month or 2 or 3 can make a difference.

194. The importance of the Altamira FLNG Project was also heightened due to certain regulatory hurdles that existed at the time affecting New Fortress' domestic FLNG plans. FE5 (analyst from July 2022 to November 2023) explained that Fmr. President Joseph Biden's energy policies significantly slowed down New Fortress' FLNG plans with respect to its Louisiana-based unit. The U.S. Department of Energy refused to grant export permits, which effectively halted progress on New Fortress' FLNG unit in Louisiana. This caused New Fortress to shift its focus to the Altamira FLNG Project, which was not impacted by those policies because Altamira is in Mexico.

195. According to FE5, Edens had connections within the U.S. Department of Energy that he was hoping to use to expedite approvals for domestic FLNG units. However, Edens' connections did not help as he had initially hoped, resulting in Edens shifting his attention entirely to the Altamira FLNG Project.

196. The Altamira FLNG Project's importance to New Fortress' overall business strategy and earnings renders it implausible that the Individual Defendants would not know about the severe impediments reported and corroborated by the FEs identified in this Complaint or were unaware of facts that were inconsistent with the misrepresentations they repeatedly made to investors.

***Former Employees Confirm that Edens and Guinta Tracked Altamira FLNG Progress Daily***

197. FE11 (Vice President at New Fortress from June 2021 until June 2024) confirmed that Edens and Guinta were deeply concerned about the delays at the Altamira FLNG Project and the financial impact they would have on New Fortress' earnings. According to FE11, the FLNG unit and its delays were a top concern for both Edens and Guinta, who were both very "hands-on." FE11 could not see how Edens or Guinta could ever "claim ignorance."

198. FE11's statement is corroborated by the fact that Edens and Guinta had daily calls concerning the progress of the Altamira FLNG Project. As Edens stated during New Fortress' 4Q22 investor conference call, "as Chris [Guinta] has talked about before, we have a daily call on this. And our teams are working very, very hard on this. . . . The first one up and running is a massive accomplishment for the company and something we look forward to. Not only is it the first step towards a vertical integration of the business, but it also is a real proof of concept of these stranded and offshore gas assets that not only for us, but for others, we think are big opportunities to do something with. . . ."

199. According to FE2 (Gas Treatment Operator from January 2024 to December 2024), Edens was a member of a WhatsApp chat group (a popular application that allows users to send text, voice messages, video messages, etc.) where he demanded daily, and sometimes hourly, updates from supervisors on-site at the Altamira FLNG Project. FE2 said that Edens frequently asked FE12 (Vice President of Commissioning and Startup) for updates and that Edens was heavily involved in the day-to-day operations of the project, often using the WhatsApp chat group to bypass traditional chains of command. According to FE2, supervisors were required to provide updates every two to three hours, even during night shifts, so that Edens could monitor progress in real-time. In addition to FE12, other members of the WhatsApp chat group included Marshall Charles (to whom FE2 reported), Thomas Quattrini (Operations Shift Supervisor), and Matthew

Laverne (Operations Supervisor). FE2 said that Edens' involvement was a source of pressure and frustration for the team because of his micromanagement over the Altamira FLNG Project.

200. Edens also visited the Altamira FLNG Project in person. In January 2024, FE8 (Telecommunications Lead from November 2023 until February 2024) attended a meeting with Edens at the Altamira FLNG Project in the helicopter lounge. Other attendees at the meeting included FE12. The purpose of the meeting was to discuss allegations of misconduct among workers and staff on the rig. On or around May 1, 2024, following the cold box explosion, Edens flew to the rig to get a first-hand look at the aftermath.

201. FE12 confirmed that Edens was deeply involved in project oversight for the Altamira FLNG Project. Starting in 2023, Edens participated in daily meetings with senior leadership, including Guinta, Andrew Couch (the Managing Director of the FLNG unit construction), and representatives from Fluor (before they were terminated). FE12 said that, in addition to these meetings, Edens frequently communicated via WhatsApp and direct calls, often on a daily basis. FE12 stated further that Edens also visited the offshore unit four times after it was deployed. Edens' first visit occurred at the beginning of 2024, followed by another trip in May 2024 immediately after the cold box explosion. He returned twice more later in the year. FE12 provided regular project updates to Edens through WhatsApp and during the meetings described above.

202. Edens and other members of senior management also received updates about the Altamira FLNG Project through formal channels of communication, including Andrew Couch who served as Managing Director of FLNG Operations. Couch was the formal primary point of contact between offshore teams at the Altamira FLNG Project and New Fortress' executive leadership. According to FE8 (Telecommunications Lead from November 2023 until February 2024), Couch

was responsible for consolidating and delivering project updates to New Fortress' c-suite and other executives. These updates necessarily included the project status reports collected using the project tracking programs at the Altamira FLNG Project, including Fluor Corporation's program MC Plus.

203. Additional meetings with executive management occurred on Mondays, according to FE4 (financial analyst from November 2021 to February 2022). Attendees at these meetings included Justan Bristow (who managed New Fortress' financial modeling) as well as Edens and Quinta. Other executives would also attend, such as New Fortress' head of operations. The meetings focused on New Fortress' financial projections and performance. Presentations concerning New Fortress' operations and finances would be used during the meetings and given to Edens and Quinta.

204. In light of the foregoing, Edens possessed real-time knowledge of the Altamira FLNG Project's construction. Thus, when making statements that misrepresented the status of the Altamira FLNG Project, Edens did so intentionally or (at minimum) with deliberate recklessness as to whether he was misleading investors.

205. The Individual Defendants' own statements give rise to a strong inference of scienter. Edens and Quinta frequently discussed the Altamira FLNG Project in statements issued by or on behalf of New Fortress as well as during investor conference calls. In those statements, Edens and Quinta admitted that they had specific knowledge of the percent of completion of the project, tasks that were done and remained to be done, any problems that had been observed, and the impact of delays upon the financial guidance investors were told to expect. Either Edens and Quinta had actually investigated such information, in which case they would have actual knowledge that the statements made to investors were materially false and/or misleadingly

incomplete, or they had made those statements without bothering to ascertain whether they were true, in which case they were reckless.

***Guinta Had Actual Knowledge that the Altamira FLNG Project Was Not Operational***

206. Guinta additionally knew the status of the Altamira FLNG Project's completion during the Class Period from reports provided to him. Along with other members of New Fortress' executive leadership, Guinta received reports from Andrew Couch (Managing Director of FLNG Operations), according to FE8 (Telecommunications Lead from November 2023 until February 2024). Moreover, as described by FE11 (Vice President at New Fortress from June 2021 until June 2024), Guinta instructed FE11 in January 2024 and onward to defer signing service agreements repeatedly because the Altamira FLNG Project was not completed. This continued through June 2024, according to FE11.

207. Guinta, in particular, was recognized publicly as the executive at New Fortress responsible for providing updates about the Altamira FLNG Project. Quarter to quarter, Guinta was the executive responsible for speaking about the project on every investor conference call. Guinta's consistent role as the provider of information concerning the project underscores his familiarity with the actual adverse, non-public information at issue in this action.

208. Guinta's receipt of reports from Couch, interaction with FE11, and repeated responsibility for providing project updates to the public demonstrate his knowledge of the true status of the Altamira FLNG Project. Consequently, when making statements that misrepresented the status of the Altamira FLNG Project, Guinta did so intentionally or (at minimum) with deliberate recklessness as to whether he was misleading investors.

***Edens Used the Fraudulent Scheme to Enrich Himself***

209. With the announcement of the Altamira FLNG Project in July 2022, analyst and investor interest started to build. Edens effectively turbo-boosted the hype around the project when

he announced in November 2022 at the FLNG Investor Day that New Fortress was raising its 2023 earnings targets from \$1.5 billion to “\$2.5 billion plus.” On the heels of these announcements and while New Fortress’ stock price was near all-time highs, Edens shocked investors with a massive change to the Company’s dividend policy.

210. On December 12, 2022, New Fortress announced that its board of directors approved a radically different dividend policy, which previously paid approximately \$0.10 per share. Under the new policy: “NFE is targeting an annual cash dividend equal to approximately 40% of its annual Adjusted EBITDA. In connection with adopting this dividend policy, the Board today declared a dividend of \$3.00 per share...” The press release also contained a quote from Edens, stating that “Our business is now generating significant, stable, and growing cash, which we believe affords us the ability to both retain capital necessary to grow and return excess capital to shareholders in the form of meaningful dividends.”

211. In January 2023, New Fortress issued the \$3.00/share dividend, which amounted to payment of approximately \$626 million. This was the one and only time New Fortress paid the \$3.00/share dividend. Dividends before and after this dividend were at the customary \$0.10/share quarterly payment.

212. At the time of the January 2023 dividend, Edens owned and/or beneficially controlled over 72.6 million shares of stock. This allowed him to control the board of directors in terms of approving the dividend as well as reap massive proceeds from the dividend payment. Given his ownership of stock, the January 2023 dividend resulted in Edens receiving a cash payment of approximately \$217 million, personally pocketing about 35% of the overall dividend payment made by New Fortress.

213. New Fortress was able to pay this dividend and, in turn, Edens was able to receive this dividend in part due to the investor interest around the Altamira FLNG Project created by Edens in the first place. But for Edens' false and materially misleading statements about the Altamira FLNG Project and New Fortress' new earnings targets, the Company's value would have been materially lower. The Company's value at this point in time was critical to Edens' scheme because New Fortress ultimately financed the \$3.00/share dividend instead of paying it from realized earnings.

214. According to New Fortress' quarterly report for the first quarter of 2023 (*i.e.*, 1Q23), New Fortress borrowed \$700 million under its expanded revolving credit facility during the quarter. While New Fortress said the borrowings were used primarily to fund the development of the Altamira FLNG Project, the proceeds also allowed New Fortress to pay a total of \$649 million in dividends during the quarter (which included the \$3.00/share dividend).

215. New Fortress did not initially have access to these funds under its credit facility but instead had to amend it in 2022 and 2023 to increase borrowing capacity. According to New Fortress' quarterly report, the Company amended the revolving facility twice in 2022 and once in February 2023 in order to borrow the money needed for the dividend. Thus, although Edens represented that New Fortress' current business operations could support the dividend, it was instead financed. Had Edens relied on the Altamira FLNG Project to finance the dividend, it would not have been possible.

***Defendants Attested False to the Accuracy of Their Disclosures***

216. Defendants acknowledged and attested to the materiality of their disclosures throughout the Class Period. Notwithstanding, they misrepresented the true state of affairs at the Altamira FLNG Project and related risks. Defendants' awareness of the need to speak truthfully,

on the one hand, and willingness to disregard that duty, on the other hand, gives rise to an inference of intentional misconduct.

217. On December 22, 2022, the SEC warned Guinta in a letter dated December 22, 2022, that certain disclosures in New Fortress' annual report on Form 10-K for the year ended December 31, 2021, were insufficient. Specifically, the SEC stated in pertinent part that:

We note that you have provided a brief description of various development projects under this heading and on pages 5 and 6 in your Business and Properties section. Please expand your discussion and analysis to provide further details regarding each project, as necessary to reflect the status of the project at the reporting date.

For example, include the estimated timeframe for completion, uncertainties regarding the timeframe, project feasibility, or ability to obtain financing, essential or key milestones, permitting or contracting requirements, and the estimated total and incremental project costs and the anticipated source of funds, while clarifying such needs on both a short-term and long-term basis, consistent with Item 303(b)(1) of Regulation S-K.

218. On January 10, 2023, Guinta responded to the SEC's letter on behalf of New Fortress. With respect to the disclosures identified by the SEC, Guinta said that:

... the Company will expand its disclosures of our development projects beginning with our annual report on Form 10-K for the fiscal year ended December 31, 2022. Please see below for an illustrative disclosure to be included by the Company in future annual filings. The illustrative disclosure reflects proposed revisions to Our Development Projects and Liquidity and Capital Resources sections of Management Discussion & Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, subject to updates and adjustments to be made in connection with any material development of the subject matter being disclosed.

219. Guinta's response to the SEC went on to describe New Fortress's Fast LNG program at the time, which included the construction of the FLNG unit at the Kiewit Offshore Services Shipyard, which was the construction site for the Altamira FLNG Project in Corpus Christi, Texas. Guinta also identified the Altamira LFNG Project by name and provided the SEC with an update as to the status of various agreements relating to its operation.

220. On February 14, 2023, the SEC notified Guinta that it had finished its review of New Fortress' filing and reminded him that "the company and its management are responsible for the accuracy and adequacy of their disclosures . . . ."

221. Throughout the remainder of the Class Period, Edens and Guinta certified that each quarterly and annual filing made by New Fortress was materially accurate in all respects. Specifically, Edens and Guinta filed certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 stating that they had reviewed the report and confirmed it "[did] not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading . . . ."

222. Edens' and Guinta's certifications also confirmed that they were individually responsible for "establishing and maintaining disclosure controls and procedures," "[d]esigned such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities," and "[e]valuated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation."

223. Edens and Guinta knew they were obligated to speak truthfully to investors about New Fortress' operations and earnings, including the Altamira FLNG Project and its impact on EBITDA. Notwithstanding, they made material misrepresentations to the public concerning these topics. Their actions in this regard give rise to a strong, compelling, and cogent inference of scienter.

**PRESUMPTION OF RELIANCE; FRAUD-ON-THE-MARKET**

224. At all relevant times, the market for New Fortress' common stock was an efficient market for the following reasons, among others:

- (a) New Fortress' common stock met the requirements for listing and was listed and actively traded on the NASDAQ during the Class Period, a highly efficient and automated market;
- (b) New Fortress communicated with public investors via established market communication mechanisms, including disseminations of press releases on the national circuits of major newswire services and other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services;
- (c) New Fortress was followed by several securities analysts employed by major brokerage firms who wrote reports that were distributed to the sales force and certain customers of their respective brokerage firms during the Class Period. Each of these reports was publicly available and entered the public marketplace; and
- (d) Unexpected material news about New Fortress was reflected in and incorporated into the Company's stock price during the Class Period.

225. As a result of the foregoing, the market for New Fortress' common stock promptly digested current information regarding the Company from all publicly available sources and reflected such information in New Fortress' stock price. Under these circumstances, all purchasers of New Fortress' common stock during the Class Period suffered similar injury through their

purchase of New Fortress' securities at artificially inflated prices, and a presumption of reliance applies.

226. Alternatively, reliance need not be proven in this action because the misrepresentations alleged sound primarily in omission. Positive proof of reliance is not a prerequisite to recovery pursuant to ruling of the United States Supreme Court in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972). All that is necessary is that the facts withheld be material in the sense that a reasonable investor might have considered the omitted information important in deciding whether to buy or sell the subject security.

#### **NO SAFE HARBOR; INAPPLICABILITY OF BESPEAKS CAUTION DOCTRINE**

227. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the material misrepresentations and omissions alleged in this Complaint. As alleged above, Defendants' liability stems from the fact that they made misrepresentations concerning the status of the Altamira FLNG Project, omitting known information about the severe impediments to completion throughout the Class Period.

228. To the extent any statements alleged to be misleading or inaccurate could be characterized as forward-looking, Defendants cannot take shelter under the PSLRA's safe harbor because they failed to provide investors with meaningful, cautionary language, and had actual knowledge of the severe impediments to Altamira FLNG Project's construction and commissioning that rendered all of their statements materially false or misleading when made.

#### **CLASS ACTION ALLEGATIONS**

229. Plaintiffs bring this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired New Fortress' securities during the Class Period; and were damaged upon the revelation

of the alleged corrective disclosure. Excluded from the Class are defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

230. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, New Fortress' securities were actively traded on the NASDAQ. While the exact number of Class members is unknown to Plaintiffs at this time and can be ascertained only through appropriate discovery, Plaintiffs believe that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by New Fortress or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions. As of August 6, 2024, there were approximately 205 million shares of the Company's common stock outstanding. Upon information and belief, these shares are held by thousands, if not millions, of individuals located throughout the country and possibly the world. Joinder would be highly impracticable.

231. Plaintiffs' claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

232. Plaintiffs will fairly and adequately protect the interests of the members of the Class and have retained counsel competent and experienced in class and securities litigation. Plaintiffs have no interests antagonistic to or in conflict with each other or those of the Class.

233. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- (a) whether the federal securities laws were violated by Defendants' acts as alleged herein;
- (b) whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of New Fortress;
- (c) whether the Individual Defendants caused New Fortress to issue false and misleading financial statements during the Class Period;
- (d) whether Defendants acted knowingly or recklessly in issuing false and misleading financial statements;
- (e) whether the prices of New Fortress' common stock during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- (f) whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

234. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

**COUNT I*****Against All Defendants for Violations of  
Section 10(b) and Rule 10b-5 Promulgated Thereunder***

235. Plaintiffs repeat and reallege each and every allegation contained above as if fully set forth herein.

236. This Count is asserted against Defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

237. During the Class Period, Defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon. Plaintiffs and the other members of the Class; made various untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiffs and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of New Fortress common stock; and (iii) cause Plaintiffs and other members of the Class to purchase or otherwise acquire New Fortress' securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each of them, took the actions set forth herein.

238. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the Defendants participated directly or indirectly in the preparation and/or issuance of the quarterly and annual reports, SEC filings, press releases and other statements and documents described above, including statements made to securities analysts and the media that were designed to influence the market for New Fortress' securities. Such reports, filings, releases and statements

were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company.

239. By virtue of their positions at the Company, Defendants had actual knowledge of the materially false and misleading statements and material omissions alleged herein and intended thereby to deceive Plaintiffs and the other members of the Class, or, in the alternative, Defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to Defendants. Said acts and omissions of Defendants were committed willfully or with reckless disregard for the truth. In addition, each Defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

240. Information showing that Defendants acted knowingly or with reckless disregard for the truth is peculiarly within Defendants' knowledge and control. As the senior managers and/or directors of the Company, the Individual Defendants had knowledge of the details of New Fortress' internal affairs.

241. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of the Company. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to New Fortress' businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public statements, the market price of New Fortress' common stock was artificially inflated throughout the Class

Period. In ignorance of the adverse facts concerning the Company which were concealed by Defendants, Plaintiffs and the other members of the Class purchased or otherwise acquired New Fortress' common stock at artificially inflated prices and relied upon the price of the common stock, the integrity of the market for the common stock and/or upon statements disseminated by Defendants, and were damaged thereby.

242. During the Class Period, New Fortress' common stock was traded on an active and efficient market. Plaintiffs and the other members of the Class, relying on the materially false and misleading statements described herein, which the Defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased or otherwise acquired shares of New Fortress' common stock at prices artificially inflated by Defendants' wrongful conduct. Had Plaintiffs and the other members of the Class known the truth, they would not have purchased or otherwise acquired said common stock, or would not have purchased or otherwise acquired them at the inflated prices that were paid. At the time of the purchases and/or acquisitions by Plaintiffs and the Class, the true value of New Fortress' common stock was substantially lower than the prices paid by Plaintiffs and the other members of the Class. The market price of New Fortress' common stock declined sharply upon public disclosure of the facts alleged herein to the injury of Plaintiffs and Class members.

243. By reason of the conduct alleged herein, Defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

244. As a direct and proximate result of Defendants' wrongful conduct, Plaintiffs and the other members of the Class suffered damages in connection with their respective purchases, acquisitions and sales of the Company's common stock during the Class Period, upon the

disclosure that the Company had been disseminating misrepresented financial statements to the investing public.

## COUNT II

### *Against the Individual Defendants for Violations of Section 20(a) of the Exchange Act*

245. Plaintiffs repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

246. During the Class Period, the Individual Defendants participated in the operation and management of the Company, and conducted and participated, directly and indirectly, in the conduct of the Company's business affairs. Because of their senior positions, they knew the adverse non-public information about New Fortress' misstatements.

247. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information, and to correct promptly any public statements issued by New Fortress which had become materially false or misleading.

248. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which New Fortress disseminated in the marketplace during the Class Period concerning the misrepresentations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause New Fortress to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were "controlling persons" of the Company within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of New Fortress' common stock.

249. Each of the Individual Defendants, therefore, acted as a controlling person of the Company. By reason of their senior management positions and/or being directors of the Company, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause New Fortress to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of the Company and possessed the power to control the specific activities which comprise the primary violations about which Plaintiffs and the other members of the Class complain.

250. By reason of the above conduct, New Fortress is liable pursuant to Section 20(a) of the Exchange Act for the violations committed by the Company.

**PRAYER FOR RELIEF**

**WHEREFORE**, Plaintiffs demand judgment against Defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiffs as the Class representatives;
- B. Requiring Defendants to pay damages sustained by Plaintiffs and the Class by reason of the acts and transactions alleged herein;
- C. Awarding Plaintiffs and the other members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and
- D. Awarding such other and further relief as this Court may deem just and proper.

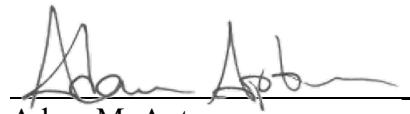
**DEMAND FOR TRIAL BY JURY**

Plaintiffs hereby demand a trial by jury.

Dated: February 18, 2025

Respectfully submitted,

**LEVI & KORSINSKY, LLP**



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